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Queen to Hono

Growing Up Hungry in Africa

Food Nourishes in Kenya, but There Is Never Enough

By Blaine Harden
Washington Post Service

MBU, Kenya — Wanja ng'a is not a wretched, hollow-child of the sort that has ed the world into rushing re-ood to Africa. On the contrary, sits every day, coaxes piggy-rides from her older brothers, plays peekaboo in her mother's

r photograph did not provoke gh pity to be useful in fund-

Africa's Children

The Stunted Generation

First of four articles

gs advertisements for the ng of Africa. And yet Wanja, ternational standards, is se-malnourished. Her growth een arrested. She is 18 months d weighs 17.6 pounds (8 kilo-). In the United States or g well-fed infants in Kenya's l of Nairobi, 97 out of 100 er age weigh more.

up in the green hills of Ke-Wanja is growing up at a rate doctors say is somewhere be-pathologically stunted and ate. Since she was weaned a go from an exclusive diet of milk, she has been sick con-y. Chest infections, diarrhea, a, hookworm, eye and ear ons have leeched away ener-at nutritionists say she cannot e in her twice-daily meals of and-bean porridge.

her diet does not improve, will be other costs when a goes to school. She likely become what a local primary ol headmaster, Johnfriend a, calls a "hungry child who is who cannot concentrate." She in the millions of ill-fed stu-who drop out of school at a hat the United Nations Edu-al, Scientific and Cultural ization says is higher in Afri-n in any region of the world. nja's case is not unique; there illions of children existing as es in the world's poorest con-

In Africa, in years when e has not struck and condi-are termed "normal," four n children under the age of 5 ost rural African families are r than they were 25 years ago se of rising national debts, ly growing populations, ing farmlands, and chronic ce.

Blaine Harden/The Washington Post

In the green hills of Kenya, Wanja N'gang'a is growing up at a rate that doctors say is somewhere between pathologically stunted and adequate.

"Children are always the ones who suffer most," said Dr. Arnfried A. Kielmann, a specialist in Third World child nutrition. "Kids are the best barometers of the economic and social conditions on a continent. They are the first to die, the first to be neglected, the first to recover if things improve."

Nearly half of the 391 million people in the sub-Saharan countries are under 15, according to the United Nations Children's Fund. In these countries, the average of national population growth rates is 3.2 percent. According to United Nations predictions, the region's population will more than triple within 45 years to roughly 1.5 billion people.

Doctors, nutritionists and social scientists agree that there is no single reason why an estimated 25 to 30 percent of Africa's children are stunted, why school enrollment has declined in many growing countries, or why child mortality in Africa is far higher than in other developing regions of the world.

These specialists say, however, that any attempt to understand why girls such as Wanja N'gang'a are hungry and sick must begin with an understanding of the food and financial problems affecting most of the continent.

The World Bank's most recent report on the future of sub-Saharan Africa said it is the only region since World War II to have "suffered retrogression over a generation. As a result, low-income Africa is poorer today than in 1960."

Africa's per-capita food produc-

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U.S. Role Grows in Honduras

A Continuing Presence Seen After Buildup

By James LeMoyne
New York Times Service

TEGUCIGALPA, Honduras — After three and a half years of intense military buildup, the United States is prepared to maintain a continuing military presence in Honduras for years to come if necessary, according to several military officials and diplomats in Honduras.

Official U.S. policy is that the American military role is temporary. But some American officials speak of Honduras gradually becoming like South Korea, developing into a permanent U.S. military staging area, manned and armed to contain any perceived Communist threat, in this case from neighboring Nicaragua.

Others say a Nicaraguan guerrilla victory or an American invasion of Nicaragua would end the need for a major American military presence in Honduras, but they are unsure either will occur.

"We don't want to be here forever," a U.S. military official in Honduras said. "But it could just turn out that, like South Korea, when all this is over we remain here."

The growing role of Honduras as a base for American military operations and the American-backed guerrilla war against Nicaragua appear to hold major implications for American policy and relations with the Honduran government.

Despite considerable evidence of plans for a continuing American military presence seen on a tour of the country, such a role for the U.S. military in Honduras has never been specifically debated and approved by Congress.

Instead, the building or improving of nine combat airfields, two radar stations, roads, tank traps, fuel storage areas and air intelligence installations, as well as the semipermanent stationing of a rotating corps of 1,200 American troops, has all been done under the legal rubric of preparing "tempo-

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Frederic Neema/Reuters

Cairo Opens Trials Stemming From February Riots

The Supreme State Security Court in Egypt opened two trials of police conscripts charged with rioting in Cairo in February. A total of 1,236 people face trial after two days of rioting in which 107 persons were killed and 700 were injured. The three-judge court adjourned a hearing Sunday to Oct. 5 and a hearing Saturday to Oct. 4. Above, a lawyer confers with conscripts at the Sunday hearing.

Nixon, Amid Summit Negotiations, Pays Soviet Officially Unofficial Visit

By Celestine Bohlen
Washington Post Service

MOSCOW — Richard M. Nixon returned over the weekend to Moscow, where his visits as president made him an architect of détente.

It was not known whether Mr. Nixon, who arrived Saturday, would meet with the Soviet leader, Mikhail S. Gorbachev, during his six-day unofficial visit. But some diplomats in the Soviet capital noted that Mr. Nixon arrived during diplomatic maneuverings over a U.S.-Soviet summit meeting.

Mr. Nixon, 73, had a 15-minute phone conversation with President Ronald Reagan on Friday, a Nixon spokesman said. But the State Department said the former president was not carrying any messages from the White House.

Mr. Nixon's last visit to the Soviet Union was in July 1974. In a speech then, he promised to meet again with Leonid I. Brezhnev, the Soviet leader at that time. That promise was never fulfilled. A month later, Mr. Nixon became the first president in U.S. history to resign from office — over the Watergate scandal.

Deep cuts in strategic arms could leave the U.S. vulnerable, the plan's critics said. Page 2.

This time, he arrived as a private citizen. But the Soviet government, which is sponsoring his visit, had not forgotten his former status. Mr. Nixon was picked up by a black limousine and whisked under escort to a Foreign Ministry guest house in the Lenin Hills.

Mr. Nixon declined to speak to reporters and an aide said the trip was a "private, fact-finding tour, worked out mutually by him and the Soviet government."

"Now was a good time, considering his own schedule and circumstances," said John Taylor, a Nixon aide. The former president was not accompanied by family members.

A U.S. Embassy spokesman also insisted that the visit was "very, very private."

Mr. Nixon is scheduled to meet with Anatoli F. Dobrynin, the former ambassador to Washington who is now a secretary of the Com-

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U.S. Sees New Wave Of Terror

Experts Predict 'Indiscriminate' Acts in Europe

By Bernard Gwertzman
New York Times Service

WASHINGTON — Although there has been a reduction in terrorist actions by Middle East groups recently, U.S. intelligence analysts say they expect the groups to attempt new "indiscriminate" attacks in West European capitals.

The U.S. bombing of Libya in April, an increase in airport security and also tighter surveillance of Libyans and other Arabs in the European capitals have produced a decline in violent incidents in the last three months, according to Robert B. Oakley, the State Department's specialist in counterterrorism.

But an intelligence report circulating in the Reagan administration noted that terrorists have proved adaptable to change, and they can be expected to continue their recent pattern of trying to kill large numbers of people with sudden attacks.

This trend included the gun and grenade attacks in December at the Rome and Vienna airports and the bomb explosion later in a West Berlin discotheque.

"Middle Eastern groups," the report says, "have realized that they can put more pressure on a West European country by carrying out indiscriminate bombings in the capital of that country than by kidnapping its citizens in Lebanon.

"Such bombing campaigns have a more direct impact on the citizens of that country and also have a significant negative effect on tourism — a potential Achilles heel in certain West European countries."

The report said that this trend toward "mass casualties" began last year. From 1980 to 1984, there were 26 such attacks, it said. In 1985, there were 19, and in 1986, there have been 12.

Mr. Oakley noted "a significant reduction" in Middle East terrorist activity since the April 15 bombing raid against Libya. This is particularly true in Europe, he said.

At a conference last week at the State Department, Mr. Oakley said that the Libyan government "is not, at this moment, actively engaged in terrorism."

"That doesn't mean that they have taken a long-term vacation, or that they have changed their minds," he said. As for Syria, he added, "We think that the Syrians also are generally in a wait-and-see posture."

"And interestingly enough, there haven't been many, if any, terrorist incidents in Europe directly related to Iran in some time," he said.

The text of the session was made available Saturday by an aide.

Mr. Oakley said the Syrians reacted cautiously after they were linked to an attempt to smuggle a bomb aboard an El Al Israel Airlines plane in London.

"The Syrians, in our judgment, see terrorism as a weapon," he said. "They have used it, from their point of view, effectively, particularly in the Middle East. We doubt that they have made any major decision to abandon it.

"On the other hand, Abu Nidal gets his primary support from Syria and Libya. And there haven't been any instances that I'm aware of Abu Nidal terrorism since April 15, nor have there been any instances of direct Libyan-supported terrorism since April 15."

Abu Nidal is the leader of a group linked to the Rome and Vienna airport bombings.

Mr. Oakley said that much of the terrorist network of the Libyans in Europe "no longer exists because they have been expelled."

"The rest of them are under very, very tight surveillance," he said. "The Syrians, who operate primarily through surrogates, are being careful."

One of the more ominous sections of the intelligence report holds out a possibility that terrorists could use portable surface-to-

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South Africa's 'Disappeared': Tales of Torture, Deprivation

By Glenn Frankel
Washington Post Service

JOHANNESBURG — The man's nds were gripped tightly together and head was lowered as he described his e's arrest three weeks ago and his two ef meetings with her in jail.

For a while, he said, she had been held h other political detainees at the cen-l prison, where she had access to oks, daily exercise and the company of ers being held under South Africa's ngent state of emergency.

Then, last week, she was transferred to curity police headquarters for interro-ion and held in solitary confinement. said the lights burned 24 hours a day her cell, meals were bleak and irregu-, the toilet filthy, exercise was not allowed and the only reading matter was the Bible.

"This is going to break her absolutely," the man said, recalling her frightened look during his last visit. "She feels very scared."

Her situation, as described by her husband, who asked that their names not be used, was just one nameless case among thousands involving detainees since the government imposed a state of emergency June 12 and began rounding up opponents.

Since then, human rights advocates estimate that at least 3,800 people have been detained without charge or access to lawyers. They can be held indefinitely until the end of the emergency, which officials hint could go on for months.

In one sense, the man whose wife is at security police headquarters is lucky; he knows where she is. Rights advocates say that in a large majority of cases, family members have not been informed of the detentions, despite official assurances to the contrary.

The government contends the detentions are necessary to bring to an end two years of bloodshed that has claimed more than 2,000 lives and plunged this white-ruled country into crisis.

Citing "state security," Pretoria has refused to release the names or numbers of those detained and has threatened journalists with prosecution or deportation if they publish the names of detainees, any "unauthorized" information about police activities or anything else deemed "subversive." This article was written under those restrictions.

Nonetheless, as the emergency enters its second month, some information is beginning to trickle from the prisons. Civil rights lawyers, using the limited powers of South Africa's judiciary, have begun to chip away at the monolithic state security apparatus.

Three detainees were released last week after lawsuits were brought on their behalf by relatives. In two cases, judges ruled that even using their sweeping emergency powers, police must have reasonable grounds to make arrests.

Courts in Natal have granted orders restraining police from assaulting three teen-aged detainees. In each case, relatives visiting the prisoners said they complained of being beaten by police. The government has yet to file responses to these allegations.

Peter Harris, an attorney, said, "We have received allegations of torture and assault in a number of police stations." Mr. Harris's firm represents more than 400 detainees.

Restrictions on visits and information are so tight, Mr. Harris said, that obtaining legally admissible evidence of police abuse is nearly impossible.

"We're mostly getting messages shouted from the prison windows or things said to relatives on visits," he said. "Just about all we can do is request assurances from Pretoria" that a prison doctor will

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Stealth Jet Crashes; U.S. Pilot Killed

New York Times Service

WASHINGTON — A fatal crash Friday of a U.S. Air Force plane in California involved one of the military's most secret weapons, the Stealth fighter aircraft that eludes radar and other sensors, according to experts in military technology familiar with the program.

The air force said that a plane had crashed at night in Sequoia National Forest about 12 miles (19 kilometers) from Bakersfield, California, killing the pilot.

The crash site was sealed off, and the air force declared it and the airspace above it "a national security area." Firefighters worked to contain a fire caused by the crash.

The air force, which usually provides prompt details about crashes involving its aircraft, refused to make public any further information about the crash.

The weapons experts, who asked not to be identified, said the crash involved a plane that has been variously called the F-19, the Covert Survivable In-weather Reconnaissance Strike aircraft, and the Stealth fighter.

Its development by Lockheed Corp., reported many times in newspapers and technical publications, has never been confirmed by the military.

But Joseph Campbell, a securities analyst for Paine Webber Inc. in New York, said, "I believe that it is in production."

He said that Lockheed's financial reports, combined with an analysis of its known military projects, leads to the conclusion that the company is building enough planes to generate several hundred million dollars in annual revenue, perhaps even $1 billion.

The crash does not necessarily indicate serious technical problems with the fighter. Many high-performance military planes crash on maneuver.

But a weapons expert said the plane that crashed Friday might have been equipped with newly developed equipment meant to make it more maneuverable. This also could have the effect of making it less stable and harder to fly.

The Lockheed airplane is not the only highly classified one to incorporate Stealth technology. Other companies are thought to have produced prototypes, and the air force is well on its way to deploying a Stealth bomber, formally known as

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The Associated Press

Le Duan, with Ho Chi Minh in 1966.

Duan's Death Expected to Hasten Change in Hanoi

By Michael Richardson
International Herald Tribune

SINGAPORE — The death Thursday of Le Duan, the Vietnamese Communist Party leader, and the party's sixth congress, scheduled to be held late this year, are expected to hasten important changes in the country's leadership and economic policy.

Diplomats said Sunday they believed that the policy changes would provide a mandate for those in the party who want to reduce official controls that stifle productivity and initiative, especially in the economy.

This would move Vietnam in the direction as its arch-rival and northern neighbor, China, where the use of greater material incentives and the decentralization of authority since 1979 have increased output and opened the country to non-Communist influence and investment in a way that seemed unimaginable a decade ago.

However, the diplomats emphasized, they saw little likelihood of any immediate shift in Hanoi's foreign policy. It is based on close links with the Soviet Union and its allies, a mistrust of China and the inclusion of Cambodia and Laos in Vietnam's sphere of influence.

The Vietnamese Embassy in Bangkok said Sunday that only representatives of the Soviet Union, Cambodia and Laos had been invited to Mr. Duan's state funeral on Tuesday. Journalists based outside Hanoi will not be allowed to attend.

Diplomats said the likely retirement or loss of power of many senior party members, combined with an urgent need to revive the ailing Vietnamese economy, would bring a group of younger men with greater managerial and technical skills to more prominent positions in the party and government.

They noted that this process already was under way.

Last month, the official Vietnam News Agency announced the most sweeping cabinet shuffle since 1982: the replacement of To Huu, a deputy prime minister, and seven other ministers heading major economic positions. Most of those appointed to replace them had been associated with economic reform programs in the central government or the provinces.

The diplomats also said that well before his death at age 78, Mr. Duan's ill-health had forced him to relinquish much of his authority to Prime Minister Pham Van Dong, 80; Truong Chinh, 79, the head of the council of state; and Le Duc Tho, 75, the party organizer and strategist.

The diplomats said a new general secretary was not likely to be named before the congress is held. But Mr. Tho, who has been mentioned as a likely successor to Mr. Duan, has suggested there will be extensive changes in the party leadership.

In an article published May 5 in the party newspaper Nhan Dan, he said that he expected that one-third of the about 150 regular and alternate members of the central com-

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U.S. Scientists, in a Breakthrough, Use Light to Trap Atoms

By James Gleick
New York Times Service

W YORK — Using seven of laser light, a team of sci-s at American Telephone & aph Bell Laboratories has ded in slowing free atoms to en crawl and trapping them pace smaller than the period uds this sentence.

effort to confine atoms by e of light has produced an e competition in recent years United States, the Soviet and Western Europe. Atom-sicists describe the achieve-as a breakthrough that will it possible to explore funda-l states of matter that have before been observed.

"The light not only traps the atoms, but you can see them and study them," said Dr. Daniel Kleppner of the Massachusetts Institute of Technology. "To me it's breathtaking. It opens the way to observe with great clarity how atoms interact and how they evolve."

In an ordinary vacuum chamber, crisscrossed beams create what the Bell scientists call "optical molasses." Certain atoms that ordinarily move at miles per second were brought down to speeds slower than a person walks, making it possible to see their motion with the unaided eye.

The scientists say they have produced new records for cold and density in a gas. Because temperature depends on atomic motion, the process cools the atoms to within 250 millionths of a degree of absolute zero, vastly colder than can be achieved by ordinary refrigeration.

The most immediate application may come in improved atomic clocks. By relying on the natural vibrating of atoms, slicing time into intervals on the order of a billionth of a second, such clocks let navigation systems use satellite signals to fix global positions to within a few dozen yards.

The new method opens the way to observe with great clarity how atoms interact.

Because the resonance of slow atoms can be measured much more accurately, it may be possible to make atomic clocks much more precise.

Scientists also expect advances in a basic branch of physics that analyzes the spectral frequencies of the energy that different atoms radiate to determine the makeup of objects from rare chemicals to distant stars. The slowing of atoms should improve those spectroscopic measurements.

"There's a new measurement day a-dawning," said John Hall, an expert on atomic clocks and spectroscopy at the National Bureau of Standards in Boulder, Colorado.

"The chance to look at atoms for a long time, to see if every atom has the same characteristics, to see if the gravity field of the earth has the effect we expect — that's the carrot that's been hanging out in front of us for 10 years."

But most of the excitement about the work at Bell Laboratories, discussed recently at a conference in Finland and scheduled to be reported in Physical Review Letters, concerns its potential for illuminating the deep questions of atomic reality that constitute quantum physics.

"The ability actually to trap atoms for the first time and manipulate them and move them around and watch them is quite important," said Dr. Theodor W. Hansch, an atomic physicist at the University of Munich. "This is something people have been speculating about for some time. The hope is to discover fundamental interactions of trapped atoms among themselves or interactions with surfaces."

Many physicists have been moving independently toward the same goal, including several American and French groups as well as theo-

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U.S. Installs Seismic Gear At Soviet Nuclear Site

The Associated Press

MOSCOW — U.S. scientists have installed the first Western monitoring station at a Soviet nuclear test site, putting about a dozen seismic devices in rugged hill country of remote Kazakhstan, a member of the group said Sunday.

Thomas Cochran, a scientist with the Washington-based National Resources Defense Council, said his group received strong Soviet support for the project, which he hopes will show that it is possible to set up stations for monitoring a nuclear test ban.

But he said the scientists have no assurance that they will be allowed to monitor an actual nuclear test, should the Russians resume their testing program after Mikhail S. Gorbachev's unilateral moratorium expires on Aug. 6.

"We will certainly be allowed to stay there after Aug. 6," he said. "We'll have to see if we'll be allowed to record their tests or not."

"Either way," he added, "we'd know that a test occurred. What would be lost if we're not allowed to monitor a test would be additional interesting technical information that could be useful in further calibrating the site."

The project, which calls for Soviet scientists to install their own seismic-monitoring stations near the Nevada testing site in the United States, marks the first time Western scientists have been allowed near the Soviet site or permitted to set up a monitoring station on Soviet territory.

The project is being conducted under an agreement between the nonprofit council and the Soviet Academy of Sciences.

Adrian W.A. De Wind, the chairman of the council, said Sunday in Moscow that "the State Department has told us visas will be issued for the Soviet scientists to come to the United States."

The Soviet test site is about 1,800 miles (2,900 kilometers) southeast of Moscow near the Kazakhstan city of Semipalatinsk.

Mr. Cochran said teams of seismologists and geologists from the University of California at San Diego brought in seismometers and installed them at three locations around the testing site.

Mr. Cochran said the three stations are only temporary, made with "off-the-shelf equipment" brought in hastily after the agreement was signed May 28.

"Under a comprehensive test ban," he said, "one would want to set up perhaps 25 stations in the Soviet Union and similarly in the United States to monitor the entire country."

"We are not setting up that network," he said. "This is a demonstration project to show that you can set up a station in the Soviet Union."

The Associated Press

Vladimir Keilis-Borok, left, a professor at the Moscow Institute of Physics of the Earth, and Thomas Cochran announce the arrival of a U.S. team to monitor a Soviet nuclear site.

Arms Proposal Assailed in U.S.

Critics of Reagan Plan for 50% Cut Say It Goes Too Far

By Michael R. Gordon
New York Times Service

WASHINGTON — Some experts on nuclear arms say the Reagan administration's proposal for deep reductions in strategic arms could increase the vulnerability of American nuclear forces to Soviet attack.

These experts are urging the administration, as it ponders a response to a recent Soviet strategic arms counteroffer, to modify its proposal and thus make American forces less vulnerable.

The administration is considering how its proposal for deep cuts in strategic arms should be changed in order to respond to the latest Soviet moves at the Geneva arms talks.

Brent Scowcroft, a retired air force general who was President Gerald R. Ford's national security adviser, said, "Our present proposal would leave us with a force posture that tends to be less stable than it is now." He said the proposal needs important changes.

Officially, the administration says its formula for achieving a 50-percent cut in strategic arms would lead to a more stable strategic balance by forcing a large reduction in the Soviet Union's force of land-based missiles, which the administration deems to include weapons suitable for carrying out a first strike.

Administration officials also note that the proposal would force a major reduction in the payload of Soviet missiles.

Michael H. Mobbs, an assistant director of the Arms Control and Disarmament Agency, said such reductions "are clearly good for stability."

Other administration officials said privately that there was some merit to the critics' arguments and added that ideas were circulating within the administration to rectify what they consider deficiencies in the current American proposal.

Critics of the American proposal say that they have two main concerns.

One is that the offer would not significantly reduce — and could even increase — the vulnerability of U.S. land-based missiles. Critics say the proposal, while reducing strategic arms, could leave a high ratio of Soviet land-based missile warheads to American missile silos.

John Steinbruner, director of foreign policy studies at the Brookings Institution, said the American proposal could have a reverse effect, increasing the ratio of Soviet warheads to U.S. missile silos.

This partly stems from the fact that the American proposal does not discourage both sides from deploying missiles that carry a large number of warheads, as some arms experts have said it should. Moreover, the proposal bans long-range mobile missiles that could elude attack, but which Defense Department officials say could be difficult to monitor.

The second major concern is that the proposal could force the navy to sharply reduce its force of missile-carrying submarines. This, in turn, could make the submarine force, the most survivable of the triad of the strategic force, potentially more vulnerable to breakthroughs in the Soviet capability for anti-submarine warfare.

James L. George, a former navy officer and a former official with the Arms Control and Disarmament Agency, recently said that the U.S. submarine force could become "quite vulnerable" under the American arms proposal. Mr. George made his comments in an article in the April issue of the Proceedings of the U.S. Naval Institute, a monthly journal.

The American strategic arms proposal, calling for a 50-percent reduction in arms, was made in November. Some officials say the administration approved a cut of 50 percent because the Soviet Union had called for cuts of this size and because it was felt that a 50-percent cut was an easily understood notion that would appeal to the public.

The American proposal calls for a limit of 4,500 missile warheads. Of these, 3,000 warheads could be deployed on land-based missiles. The total of deployed land- and sea-based missiles would be from 1,250 to 1,450 missiles. Long-range mobile land-based missiles would be banned. Separate limits were set for bombers and air-launched cruise missiles.

■ SDI Separate, Reagan Says

President Ronald Reagan insisted Saturday that his missile-defense program, the Strategic Defense Initiative, would not become a "bargaining chip" in any arms control negotiations with the Soviet Union, The Washington Post reported from Washington.

Mr. Reagan's comments, in his weekly radio address, came after reports that the latest Soviet arms proposal had sparked renewed discussions of a possible delay in deployment of the missile-defense system in exchange for deep cuts in the superpowers' offensive arsenals.

The president said that his missile-defense program would make nuclear missiles less effective and thereby more negotiable.

"And when we talk about negotiations, let's be clear," he said. "Our SDI research is not a bargaining chip. It's the number of offensive nuclear missiles that need to be reduced, not the effort to find a way to defend mankind against these deadly missiles."

127 Arrested in Ulster, Many Hurt in Marches

By Robert O'Connor
International Herald Tribune

PORTADOWN, Northern Ireland — Police said 127 persons were arrested and 196 injured in weekend demonstrations marking the anniversary of the 1690 Battle of the Boyne that established Protestant hegemony in Northern Ireland.

While an estimated 100,000 members of the Protestant Orange Order marched mostly in peace in much of the province, there was serious violence Saturday in the County Armagh town of Portadown.

It was in Portadown that Protestants battled the police for two days last year in an attempt to get into the Roman Catholic Tunnel district. Last summer, the police adopted a policy of diverting provocative marches away from Catholic areas.

This year, Protestants threatened a mass mobilization in Portadown unless they were allowed through the district. A compromise by the Royal Ulster Constabulary diverted the parade to the more populous Catholic Garvaghy Road.

Protestant anger at what is known as the Anglo-Irish accord of November that gave Dublin a say in the British-ruled province prompted fears that this year's demonstrations would be particularly violent.

The police compromise enraged Portadown Catholics, especially since Protestants threw firebombs in the Tunnel district Friday night.

Michael McCoo, an activist in the Social Democratic and Labor Party, which is mainly supported by Catholics, expressed bitterness over the police decision.

"There's only one way to describe it, total humiliation of the Nationalist community," he said, then added: "Humiliation's not the word for it — tramping into the ground again."

The police had a heavy presence on Woodhouse Street in Portadown, leading from the town center toward the Tunnel district.

The street was the scene of the fighting last year. And it was there in March that a young Protestant was fatally injured by a plastic bullet fired by a policeman during a similar confrontation.

Not long after the Saturday morning session of marches had passed through the Catholic district without incident, the police came in for 90 minutes of stone and bottle-throwing.

But the real trouble began in the evening.

After Protestant demonstrators returned to the area, young men, spurred by the crowd, tried to breach police lines. They were clubbed back.

A police Land-Rover was overturned and burned, filling the air with black smoke.

A CBS television crew, intent on getting footage of the burning vehicle, never got near it. Threatened by the mob, the team withdrew.

Throughout the violence, as ambulances edged in and out, the Protestants' pipe and drum bands continued to play, stepping around the burning Land-Rover.

Orangemen in bowlers, dark suits and orange sashes swept back and forth, occasionally draping their large banners in the faces of riot policemen.

The police eventually responded with plastic bullets. Finally, after forming into phalanxes, the policemen fought the crowd and gradually forced it back.

A participant defended the march. "The tradition has been handed down from the Reformation of Martin Luther," he said. "We are a free people, and the Roman Catholic Church is opposed to that. And that's why every 12th of July we take a stand for our faith."

■ Catholic Accusations

Catholic politicians criticized the police decision to allow marchers to pass through the Catholic area, Reuters reported from Belfast.

Brid Rodgers, of the Social Democratic and Labor Party, said it was a setback for the Anglo-Irish agreement, which promised equal treatment for the traditions of both communities.

"The Catholic people's feeling is one of the deepest anger I have seen for a long time," she said. "Clearly, the only purpose of the march was to provoke and assert domination."

John Hume, the party's leader, said the police decision was "a victory for the bully boys and cudgel-carriers." But in a radio interview on Sunday he said he still considered the agreement to be in place.

49 Are Killed In Clashes in West India

Reuters

AHMADABAD, India — A crowd burned two young Moslem men alive at a hospital Sunday, bringing to 49 the death toll in five days of Moslem-Hindu violence in Ahmadabad and surrounding regions of Gujarat state in western India.

The two Moslems, each about 25, were at the Ahmadabad hospital to visit someone hurt in the earlier violence. They were chased to an upper floor by about 50 men who beat them up and threw them out of a window. Another crowd then poured kerosene on them and burned them to death.

It was the second case of immolation of Moslems in two days. Five members of a family were killed similarly in a suburb of Ahmadabad on Saturday.

The police commissioner, B.K. Jha, said the situation in Gujarat had been returning to normal until the new immolations occurred.

The deaths brought the toll in Ahmadabad to 38. Eleven persons were killed in other areas of Gujarat state, the Press Trust of India reported.

Earlier, the Ahmadabad police repeatedly fired upon rioters as they began burning down buildings in outlying districts.

The police, ordered to shoot arsonists on sight, opened fire four times in outlying working-class districts as roving groups of Moslems and Hindus burned shops and homes in each others' communities.

Ahmadabad is a textile-manufacturing city north of Bombay, with 2.5 million inhabitants and a history of Hindu-Moslem rivalry.

It has been the scene of sectarian violence since Wednesday, when Moslems stoned Hindus in a religious procession. The Moslems said they had been being taunted with obscenities.

Despite more than 600 arrests as more than 10,000 armed police and paramilitary units enforced a 24-hour curfew in much of the city, hundreds of buildings have been burned.

Schools and businesses in Ahmadabad have been shut down.

The army was put on standby alert Saturday when the violence appeared to be getting out of control.

But troops did not intervene Sunday. The police kept a tight grip on the city center and dispersed bands of rioters in the suburbs.

WORLD BRIEFS

10 Nuns Kidnapped in Philippines

ZAMBOANGA, Philippines (AP) — Armed men have seized Filipino Roman Catholic nuns from a convent and a U.S. Protestant missionary from a nearby dormitory in two separate kidnappings in the Moslem city of Marawi in Mindanao.

An army commander said Sunday that the nuns were abducted from the convent Friday night. The American, Brian Lawrence, 30, of Madison, Wisconsin, was kidnapped Saturday night. No group has said it ordered the kidnappings and it was not known if the two incidents were related, officials said.

In Manila, the police broke up a gathering Sunday of about 2,000 supporters of former President Ferdinand E. Marcos near a hotel where supporters of Mr. Marcos rebelled on July 7. There were no clashes, but the police held four persons for questioning.

Soviet Reports Afghans Rout Rebels

MOSCOW (Reuters) — The Soviet Union reported Sunday that Moscow-backed government forces in western Afghanistan have won a major engagement, killing dozens of insurgents and capturing large quantities of weapons.

The official Soviet press agency Tass said the Afghan government troops had routed guerrillas attempting an offensive in the province of Herat, killing 13 leaders and seizing missiles, artillery, heavy machine guns and small arms.

Last month, rebel forces operating from Pakistan and Iran reported heavy fighting around the town of Herat, close to Iran and the Soviet republic of Turkmenistan. The rebels said the Communist forces were using missiles and long-range artillery.

Paris Expels Suspected Basque Lead

BAYONNE, France (Reuters) — A suspected Basque guerrilla leader, Domingo Iturbe Abasolo, has been deported to Gabon, in French-speaking West Africa, a source close to his family said Sunday.

Mr. Iturbe Abasolo, also known by the Basque name Txomin, spoke to his wife in Bayonne by telephone from a Paris airport and told her he was on his way to Gabon, the source said. He had been living in exile in France since 1969.

The police say they believe Mr. Iturbe Abasolo is the leader of the military wing of the Spanish Basque separatist movement ETA. ETA is the Basque acronym for Basque Homeland and Liberty. Mr. Iturbe Abasolo was sentenced in June to a year in prison on weapons charges, but the time he had served in pre-trial detention was counted as part of his term.

Domingo Iturbe Abas

Iran Expels a Reuters Correspondent

LONDON (Reuters) — Iran has ordered a Reuters correspondent, Hugh Pope, to leave the country, accusing him of disclosing military secrets in a dispatch about an Iraqi air raid on a communications-satellite ground station.

Mr. Pope, who has been based in Tehran for 11 months, planned to leave to London on Monday. Michael Reupke, the agency's editor in charge, termed the expulsion unjustified. On July 2, Iran and Iraq reported a raid on the ground station at Assadabad, 190 miles (310 kilometers) southwest of Tehran.

Sri Lankan Party Rejects Peace Plan

COLOMBO, Sri Lanka (AP) — President Junius R. Jayawardene's peace proposals suffered a major setback Sunday as Sri Lanka's main opposition party rejected them for conceding too much to the Hindu Tamils.

The rejection by the Sri Lanka Freedom Party came on the day Jayawardene met moderate Tamil politicians, who later said their preliminary talks had "some measure of success."

Meanwhile, separatist Tamil rebels who denounce the peace talks launched a major attack Sunday against army troops guarding a railway line in the north, the government said. Residents of the northwest coastal town of Mannar said by telephone that at least nine persons had been killed and one soldier had been injured.

For the Record

The death sentence was imposed in Guinea-Bissau on Paulo Correia, the former first vice president, and 11 other persons arrested in November for their part in a coup conspiracy reflecting ethnic rivalries in the state, it was reported from Lisbon on Sunday. (Reu

Spain extradited a suspected drug trafficker, Jorge Luis Ochoa, to Colombia on Sunday, court sources said in Madrid. The United States also had sought to extradite Mr. Ochoa, a Colombian accused of operating a cocaine trafficking network. (Reu

Malaysia's Ruling Coalition Reported To Face Erosion of Islamic Support

By Barbara Crossette
New York Times Service

KUALA LUMPUR, Malaysia — The political influence of Islamic conservatives is growing in Malaysia almost as fast as the popularity of Prime Minister Mahathir bin Mohamad is falling, according to scholars and diplomats here.

"I don't think I have ever before heard so much anti-government talk," a scholar said. Malaysia is constitutionally required to hold a national election by next year. It had been expected to take place by now, but Mr. Mahathir has been slow to set a date, diplomats say.

Mr. Mahathir heads a coalition government, dominated by Malay Moslems, that has functioned smoothly at least partly because of a large majority. Even supporters of the prime minister say he is almost certain to lose some, if not all, of that edge in the election. Islamic pressure is only one of the reasons.

With the country in an economic slump not largely of the government's making, charges of corruption are heard on every side, most of them aimed at friends of the prime minister who are known publicly to have benefited from lucrative government contracts.

"There is a sense here among Malays, whom the prime minister has most wanted to help, that some Malays have done a whole lot better than others," a Western diplomat said. An active "Xerox press" circulates details not found in the government-controlled newspapers. Critical books are sold freely.

Ethnic Malays, traditionally rural people, form about half the population of Malaysia; ethnic Chinese make up about 35 percent of the population. But the Malays have fallen behind the Chinese and various government programs have been introduced to help them. These programs are now threatened by economic pressures.

Meanwhile, the Malaysian Chinese Association, the ethnic Chinese component of the National Front coalition, is in disarray after the arrest in Singapore of its leader, Tan Koon Swan, on stock market violations there.

The growing political weight of conservative Moslems can be measured not only in the potential voting strength of the fundamentalist Islamic party — the Parti Islam Sa-Malaysia, or PAS, which is trying to form a common front with other splinter opposition parties — but also in the frequent concessions a defensive Mahathir government has to make to conservative Islamic sentiment.

Last week, for example, a scholarly book challenging the orthodoxy of the Hadith, the collected sayings of the Prophet Mohammed, was banned nationally, although the author and political leader, Kassim Ahmad, was a member of the prime minister's own party.

A politician said accusations are made regularly by Islamic fundamentalists that Singapore, under Prime Minister Lee Kuan Yew, is in effect a Christian nation because of its close ties to the West as well as its own Chinese Catholic population, and therefore poses a danger to Malaysia.

Mr. Lee's recent visit to Manila, marked by a show of warmth between him and President Corazon C. Aquino, was considered proof of the theory that Southeast Asian societies are being threatened by a Christian conspiracy, a Malay politician said.

Malaysians are not alone in this concern: Thailand, a Buddhist nation, has recently restricted severely the entry and work of foreign Christian organizations.

"We used to think of Singapore as the Israel of the region," a Malay politician said. "Now we think it might be the Beirut."

Reuters

Mahathir bin Mohamad

Emir of Kuwait, Citing a Crisis, Reforms Cabinet

Reuters

KUWAIT — The emir of Kuwait has reorganized the cabinet after dissolving parliament and suspending parts of the constitution last week because of what he called a crisis in security and the economy.

The emir, Sheikh Jaber al-Ahmad al-Sabah, made no major changes, keeping the key ministers of foreign affairs, defense, oil, finance and interior under the prime minister and crown prince, Sheikh Saad al-Abdullah al-Sabah. The new cabinet was sworn in Sunday.

Sheikh Saad, addressing the ministers, listed security and the economy as serious challenges. Foremost among the challenges is national security, he said, according to the Kuwait News Agency. There have been several bombings in Kuwait since 1982, when the U.S. and French embassies were attacked.

Another major challenge, the emir added, is resolving the economic crisis caused by the crash of local stock markets in 1982.

Arafat Asks UN Control of West Bank

Reuters

HAMBURG — Yasser Arafat, the leader of the Palestine Liberation Organization, has for the first time called on the United Nations to take control of the Israeli-occupied West Bank and has said he would guarantee security there.

In an interview with the West German magazine Der Spiegel, to be published on Monday, Mr. Arafat said: "There is, of course, a peaceful solution" to the Middle East conflict.

"That's why we are calling for an international peace conference," he said. "But if that is not possible, then let's bring in the UN."

The United States, Israel and some European countries want to exclude the PLO from peace talks, he said, adding: "Agreed. Then please return the occupied territories to the United Nations."

Edward Lipinski Dies at 97 Polish Dissident Economist

Reuters

WARSAW — Edward Lipinski, 97, a leading Polish economist who became a dissenter from the Communist government's policies, died Sunday, his colleagues reported.

Mr. Lipinski was a founder of the illegal Workers' Defense Committee, or KOR, the acronym in Polish. The organization was a forerunner of the Solidarity labor movement.

Jacek Kuron, a Polish dissident leader, said Mr. Lipinski died of old age at a state clinic.

Mr. Lipinski was respected by the Polish authorities for his analysis of Marxist economic theory, and he remained active in economic research until recently.

He joined the Polish Communist Party in 1948 and in 1956 he headed a group of economic advisers who mapped out a course of economic development policy. But Mr. Lipinski renounced his party membership in 1975 in protest over the economic policies of Edward Gierek, then the Communist leader.

Mr. Lipinski became co-founder of the Workers' Defense Committee the following year, after riots in Radom and Warsaw. The organization gave legal and financial assistance to hundreds of workers dismissed from their jobs for participation in the protests.

KOR backed the Gdansk shipyard protests of 1980 that paved the way for the formation of Solidarity labor movement.

Sir Moses I. Finley, 64; Cambridge Classics Scholar

New York Times Service

NEW YORK — Sir Moses Finley, 64, a classics scholar at Cambridge University in England, died June 23 in a Cambridge hospital after suffering a stroke.

Sir Moses, who described his political and intellectual position as Marxist-oriented, was born in New York and was educated at Syracuse and Columbia universities.

In 1952, he and another faculty member were removed from the faculty of Rutgers College in New Jersey, after testifying before a U.S. Senate subcommittee on internal security. The two told the committee members that they were not Communists but refused to say whether they had ever been.

In 1954, Sir Moses became a lecturer at Cambridge and later was promoted to professor. He took British citizenship in 1962 and was knighted in 1979.

■ *Other deaths:*

Harold R. Isaacs, 75, a writer on China and a professor of political science at the Massachusetts Institute of Technology, after heart surgery in Boston.

Enrique Villegas, 72, regarded in many as Argentina's best jazz pianist, Thursday of a heart attack in Buenos Aires.

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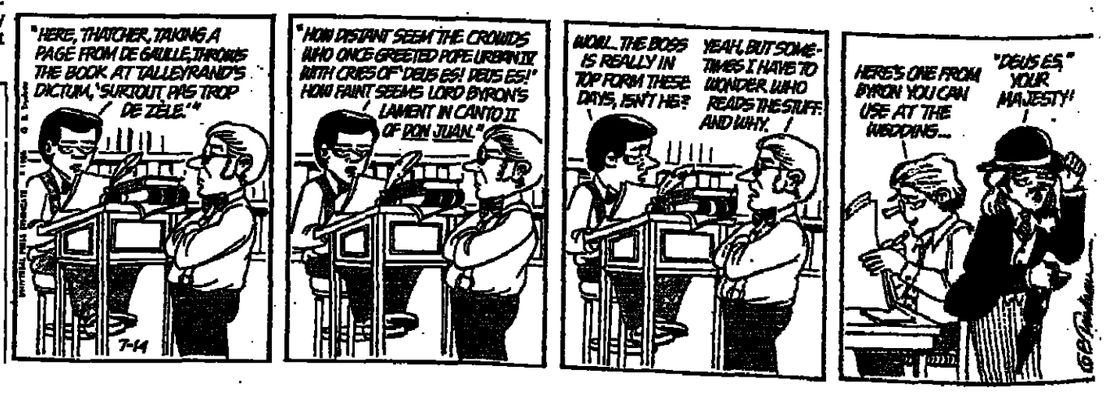

هكذا من الأصل

AMERICAN TOPICS

...ters Say They Want ...Reagan Democrat

...e ideal presidential candi... for 1988 is a moderate-...ervative Democrat who ...ld offer a continuation of ...ident Ronald Reagan's pol..., according to an opinion ...y by U.S. News & World ...rt and Cable News Net... A "quite conservative" ...dent was the preference of ...ercent of those polled; ...derately conservative," 45 ...nt; "moderately liberal," ...ercent; "quite liberal," 8 ...nt; and other or do not ..., 11 percent. Forty-six ...nt wanted Mr. Reagan's ...ies continued, 37 percent ...ed a change, 10 percent ...ed a partial change and 7 ...nt did not know.

...rty preferences were Dem... 37 percent; Republican, ...rcent; party does not mat... 4 percent; and other or do ...now, 9 percent. However, ...arties are fading in impor... to voters. Asked what ...es in a presidential candi... most important, hones... a high rating by 94 ... those polled; intelli... 87 percent; ability to ...icate, 74 percent; polit... experience, 52 percent; po... philosophy, 33 percent; ...itical party, 23 percent.

...g to Wipe Out ...-Towel Crime

...erican hotels are putting ...s in rooms, some humor... some threatening, but all ... guests not to steal the ... At the Holiday Inn ...'s Fair in Knoxville, Ten..., every room has a small ...oard sign with a cartoon ...iling towels that says: ...other day, our towels told ...t some of them were being ...pped and taken to far... places. So, we adopted ...new ones and now every... happy again. Now you ...n't want to break up a ...mily, would you?"

Thunderbird Motel in ...ington, Minnesota, has ...itemizing the number of ..., washcloths and bath... and noting, "Guests are ...rtable for any linen short... The John Rolfe Motel in ...nsburg, Virginia, is even ...r: "The contents of this ...are checked before being ...ed. Anything missing is ...d to the police. Your car ...is on record." These ho... ...y the warnings have re... ...theft substantially. In... executives say guests ...ff with about 10 percent ...towels in low-priced ho... ...ith theft more infrequent ...e expensive places.

...expensive hotels, howev... ...ve a different problem: the theft of terry-cloth bath-robes. Some hotels now place cards in the pockets offering the robes for sale at about $50 to $100; they say this has drastically reduced robe theft.

Short Takes

A New York producer-director of television commercials, Mark Heller, is the Nathan's Famous hot dog-eating champion for 1986, having consumed 15 and a half all-beef frankfurters, with buns, in 10 minutes at the original Nathan's location at Coney Island in Brooklyn. Mr. Heller, 27, was one and a half hot dogs short of the record, set in 1978, but bested 23 other contestants in the 70-year-old event. Mr. Heller, 6 feet 2 inches (1.85 meters) and 245 pounds (111 kilograms), said, "It was my destiny."

During the vast festivities over the July 4 weekend dedicating the Statue of Liberty, New York police reported only one incident involving a drunken sailor. He said he had accompanied a "young lady" to what he thought was her apartment, only to awaken alone without his watch and wallet. "That happened to only one sailor?" asked an incredulous Mayor Edward I. Koch.

Katharine Hepburn, 76, refuses to see any of her recent films. Miss Hepburn, winner of four Academy Awards, says: "When I see some of my old movies, like 'Morning Glory,'

UPI

Katharine Hepburn

which I made more than half a century ago, I look at that young girl on the screen and say, 'My, she is so pretty and talented,' but I don't have any connection with her. That girl isn't me at all. I stopped going to see my films when I began to watch what was bad about my face, my neck, my body, my voice."

—Compiled by ARTHUR HIGBEE

The Associated Press

President Augusto Pinochet speaking in Concepción, Chile.

Pinochet Announces His Intention To Retain Power in Chile Until '97

By Shirley Christian
New York Times Service

SANTIAGO — President Augusto Pinochet, rebuffing those who want him to give up power, has announced that he expects to remain president of Chile until 1997.

In what appeared to be the strongest declaration to date of his intention to hold onto power, General Pinochet said he was "convinced that the people will support this government for a new presidential term" when the present eight-year term ends in 1989.

His wife, Lucia, later said that the comment meant that General Pinochet intended to seek the additional term for which he is eligible under the 1980 Chilean Constitution.

[On Saturday, opposition parties vowed a new round of protests against General Pinochet's intention to remain in power. The centrist Social Democratic Party said it would organize "a wide mobilization, at all levels, to stop Pinochet." Even some rightist organizations that generally have been sympathetic to General Pinochet expressed opposition to a second term.

[The centrist Christian Democratic Party called the remarks "a provocation to the entire country." It said it would hold an emergency meeting Monday to define a new strategy to fight his government.]

Opposition groups, which called a 48-hour general strike July 2 and 3 during which eight persons were killed and about 50 others were injured, have been demanding that General Pinochet step aside in 1989, or before, and schedule free elections.

Some senior officials of the armed forces have been said by people close to them to also prefer that General Pinochet give up power in 1989.

In calling the strikes, the opposition groups, which range from center right to far left, had hoped to use it to persuade the armed forces leadership around General Pinochet to open negotiations with civilians. The expectation that he could be persuaded by other military leaders to give up power in 1989 has also been the cornerstone of Reagan administration policy toward Chile.

General Pinochet, who spoke in the Chilean city of Concepción, said that his present term is the time in which laws and regulations are being written to complement the Constitution. The next eight years, he said, will be the time during which the new laws are applied.

"This is going to continue beyond 1989," he said. "We are not going to hand over the government for the pure pleasure of it."

The 70-year-old general, who came to power in a military coup in 1973, took key ministers to Concepción, 300 miles (485 kilometers) to the south of Santiago, for all of the coming week. The Chilean leader travels continuously and often takes key ministers with him.

While the dead from last week's protest were still being buried and mourned in Santiago and police units continued to fill the downtown streets with tear gas whenever a crowd gathered, he fought back at his opponents during frequent public appearances before sympathetic audiences in Concepción.

■ U.S. Sends Envoy

A ranking State Department official left for Chile on Saturday amid continuing U.S. pressure on General Pinochet to conduct a "credible" investigation into the death there, allegedly at the hands of army troops, of a young Chilean who was a legal resident of the United States, the Los Angeles Times reported from Washington.

Deputy Assistant Secretary Robert S. Gelbard will discuss "the current situation" in Chile during the first stop of a trip to South America, said a department spokeswoman, Sondra McCarthy.

While Mr. Gelbard's trip will not specifically focus on the death of Rodrigo Rojas, an official said, U.S. concerns in the case are certain to be raised by Mr. Gelbard.

U.S. Warplanes Continuing Missions Over Gulf of Sidra

By George C. Wilson
Washington Post Service

WASHINGTON — The United States has been conducting unannounced navy flight operations off Libya for the last several weeks, including fighter plane flights over the Gulf of Sidra but not beyond the "line of death" that the Libyan leader, Moammar Gadhafi, has drawn across that waterway, Pentagon officials disclosed.

So far there has been no direct military response from Libya. But the official Libyan news agency JANA said Friday that the Libyan military would conduct missile-firing exercises in the Gulf of Sidra starting Sunday. This would mark Colonel Gadhafi's first military action since the U.S. bombing raid against his country on April 15 and could be the precursor of anti-U.S. action.

Since shortly after the April bombing, U.S. Navy carriers have been conducting the type of "freedom of navigation" exercises in the Gulf of Sidra that provoked Colonel Gadhafi's first military responses in March. On March 24, Libya fired six SAM-5 missiles at navy planes but missed. Navy planes responded by firing anti-radar missiles at the site and bombing Libyan missile boats.

The Reagan administration announced its intention to conduct navy flight operations in the Gulf of Sidra before the April exercises commenced. In a change of policy, no similar advance notification was given to Libya or the international aviation community for navy maneuvers and flight operations in the gulf since the April bombing.

The earlier notice "was a courtesy," said one official on Saturday. "But when somebody shoots at you, you don't owe him that courtesy."

In recent weeks, fighter planes from the aircraft carrier Forrestal have flown to within about 40 miles (65 kilometers) of the "line of death" that Colonel Gadhafi drew across the Gulf of Sidra — far out to sea from the 12-mile limit that the United States recognizes. The Forrestal has gone into port, but the carrier America is expected to continue the U.S. naval presence in the gulf.

Sources said the intermittent flights north of the "line of death" were designed to reassert the U.S. right of exercise in those international waters, to remind Colonel Gadhafi of U.S. retaliatory capabilities in the hope it will deter him from supporting new acts of terrorism, and to escort electronic eavesdropping planes that collect data for the U.S. intelligence community, particularly the National Security Agency.

Until the JANA report late Friday, Libya had not made a public issue of the resumption of U.S. naval operations. Reagan administration officials said Colonel Gadhafi seemed to have been stunned into inactivity by the April bombing. They said the Soviet Union also has cautioned Colonel Gadhafi against adventurism and terrorism.

Informed sources said that navy planes in the most recent Gulf of Sidra operations have been flying in a nonprovocative manner, such as following well-defined courses rather than feinting toward Libya. The idea, officials said, is to project the image of conducting "normal" flight operations over international waters.

Pakistani Leader Visits Bonn

Reuters

BONN — Prime Minister Mohammed Khan Junejo of Pakistan arrived here Sunday for a three-day visit.

Repression by Managua Is Systematic And Widespread, Rights Group Says

By Lisa Wolfe
New York Times Service

NEW YORK — The repression of human rights in Nicaragua is systematic and widespread, an independent human rights group said in a report Sunday.

The group, the International League for Human Rights, examined the Nicaraguan government's treatment in recent years of religious organizations, the press, labor unions, political parties and other groups that have opposed the Sandinist leadership.

"Repression of activists in Nicaragua is not as conspicuous or as bloody as in other parts of Central America," said Nina H. Shea, program director of the New York-based group and author of the report. "But it is more insidious and systematic."

The report includes descriptions of mass arrests, public vilification, deportations and property confiscations. The report also says short-term detentions are used to harass political opponents, and describes prison conditions as deplorable.

The report says the government has banned strikes, collective bargaining and other union activities and has arrested and harassed hundreds of union leaders and members.

All seven directors of one of the country's main independent labor confederations, Nicaraguan Workers' Central, have been imprisoned on accusations of counterrevolutionary activity, the report says.

It also cites reports by another labor confederation that the government had arrested hundreds of its members, seized its offices and banned its bulletin.

The report says more than a dozen foreign clergymen have been deported from Nicaragua without due process.

The Roman Catholic Church in Nicaragua, which has relied heavily on the press to communicate its pastoral messages, is no longer permitted to do so, according to the report.

It says the government has banned the national television broadcast of the Roman Catholic Mass, shut down the church's newspaper and closed Radio Catolica, the radio station of the archdiocese of Managua.

The International League for Human Rights was founded in 1942 and is one of the oldest non-governmental human rights organizations. It said that in its reporting and condemnation of human rights violations in Nicaragua, it does not support the anti-Sandinist rebels, known as "contras."

The report was based on a fact-finding mission to Nicaragua from Feb. 9 to 16 and on interviews in the United States and Costa Rica and on reports by other human rights groups.

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...lvadoran Rebels, in Peace Proposal, ...fer Cease-Fire, Participation in Vote

Reuters

...SALVADOR — Leftist re... El Salvador have put for... ...ace proposals that include ...fire and an offer to partici... ...general elections after the ...n of a transitional govern...

...roposals, announced late ...y a guerrilla leader, Joa... ...lalobos, marked the first ... weeks toward ending a ...e between the government ...ls on peace talks.

...gh the rebels have made ...roposals before, this was ... to be the first one accom... ...y an offer to halt the fight... ...h has caused about 60,000 ...nce the civil war began in ...

...ident José Napoleón ... in what appeared to be a ... to the proposal, urged the ...s Saturday to lay down ...ns and help restore peace, ...ociated Press reported.

... first objective we must ...is peace," Mr. Duarte said ...ch in the provincial capital ...rancisco Gotera, "but not ...e of the dead, nor the peace ...torship, nor the peace of ...-Leninism."]

...stern diplomat dismissed ...l proposal, saying it con... ...e basic elements of a pro... ...vanced by the rebels dur... ...successful round of peace November 1984.

The rebel statement was broadcast by Radio Venceremos, which supports the Farabundo Martí National Liberation Front, the rebels' umbrella group.

Last month, Mr. Duarte proposed a third round of talks with the rebels. Although the rebels agreed to hold talks, the two sides have failed to agree on an agenda, a date or a venue.

The two earlier rounds of talks, on Oct. 15, 1984, and Nov. 30, 1984, ended in deadlock.

Mr. Villalobos, who heads the guerrilla front, said his group and the rebels' political wing, the Democratic Revolutionary Front, would observe a cease-fire in order to install a transitional government.

Under the rebels' plan, such a government would involve power-sharing between the two sides. The current government, elected in 1984, would be reorganized to include all political sectors.

The Farabundo Martí group and the Democratic Revolutionary Front, the guerrillas' political arm, would together serve as one component, Mr. Villalobos said.

The transitional government, he said, would then work out a "political solution" to the war while organizing "clean and free general elections."

In keeping with the guerrillas' long-stated policy of never surrendering their weapons, Mr. Villalobos said the rebels would agree to maintain separate armed forces, which later could be integrated with the Salvadoran military into a single national force.

"The new government that emerges will look for a negotiated solution to the problem of the existence of the two armies," he said.

Mr. Duarte has said repeatedly that the guerrillas must lay down their arms and participate in democratic elections to determine whether they have the popular support to participate in a government.

Argentine Air Carrier Resumes Some Flights

Reuters

BUENOS AIRES — Argentina's national airline resumed some domestic flights Sunday after dismissing all its pilots when they went on strike for more pay, a spokesman for Aerolineas Argentinas said.

Only seven flights — less than 10 percent of an ordinary domestic flight schedule — were planned for Sunday, all being carried out by pilots from the state-owned Lineas Aéreas del Estado. Aerolineas international flights remained grounded by the strike, which started on July 1. The airline last week fired all its 561 pilots striking for higher salaries.

Quake Kills in California

The Associated Press

...ANGELES — The second ...arthquake in a week shook ...l California on Sunday ... causing rockslides and ...ower lines, the authorities ...e person died of a heart ...uring the quake but no oth... ...lties were reported.

...uake, which measured 5.3 ...open-ended Richter scale, ...ered about 75 miles south... ...os Angeles, said a spokes... ...the California Institute of ...ogy. It was felt as far away ...rd, more than 150 miles to ...hwest. No major damage ...orted.

...esday, a quake measuring ...the Richter scale struck ...st of Palm Springs, injur... ...rsons. More than 70 after... ...have followed, some mea... ...s high as 4.0 on the Richter

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Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

Engaging With the ANC

If the Reagan administration is going to be truly constructive, it should engage itself in South Africa with the African National Congress, the black nationalist organization that was forced underground by the apartheid regime and appears to speak for many South African blacks.

The administration, it is true, has urged the South African government to release the ANC's long-imprisoned leader, Nelson Mandela, and open with him and other representative blacks a broad political negotiation. But it has been excessively wary about approaching the ANC itself. Its contacts with the ANC have been on a low level and, it seems, few and far between.

The South African government points to the Communist associations of some ANC leaders and to the military and other support provided by Moscow, and it depicts the ANC simply as a creature of the Kremlin. Most knowledgeable people find this a crude portrait that overlooks the origins and content of the ANC's ties to Moscow. To the extent that it is true, it is an argument not for ignoring the ANC but for competing to influence it, especially those elements in it who resist and disapprove of its growing tendency toward terrorist acts —the burning to death of blacks accused of collaboration with Pretoria and the bombing of "soft" white targets.

Considerations of the sort that keep Washington at a distance from the ANC prevailed in Britain until very recently. Then, as pressure rose on London to respond with new sanctions to South Africa's latest outrages, a minister of state at the Foreign Office received ANC leader Oliver Tambo — a step apparently conceived as something of a substitute for sanctions.

Ronald Reagan shares Margaret Thatcher's hesitations about sanctions. His administration, in an election year, is also under pressure to support tougher ones. Opening up to the ANC would be valuable and necessary for its own sake, a course that an administration attempting to promote peaceable discourse should have no difficulties in reinforcing by its own example. But opening up has another advantage for the Reagan team. It would show an understanding of the black cause, and it could be used to deflate sanctions pressure. The administration has been debating the ANC option for some time and may be edging that way. It is the right way to go.

— THE WASHINGTON POST.

Vietnam After Le Duan

Le Duan, the Vietnamese Communist leader who died on Thursday at the age of 79, did not enjoy the renown of his predecessor, Ho Chi Minh, and never assumed his title of party chairman, but he was a major historical figure. He played a principal role in organizing the victory over the forces of South Vietnam and the United States and then presided over the brutal reunification. He also waged an armed conflict with China and sent Vietnam's army to conquer and occupy Cambodia. His military successes must be measured against a fearful cost: diplomatic isolation, economic stagnation and appalling suffering throughout Indochina. His victories were bought at a price normally paid only in defeat.

After outlasting a superpower, Vietnam was unable to achieve normal relations with either the United States or China, its ancient enemy. Inexorably it became more dependent on the Soviet Union than its nationalistic leaders would have preferred.

Devastated by years of war, Vietnam cut itself off from foreign aid and investment by occupying Cambodia, and further compounded its problems with mismanagement and persecution of an entrepreneurial Chinese minority. While most of Southeast Asia prospered, Vietnam's economy stagnated. Recent personnel shake-ups suggest an effort to recoup, but significant revival remains a task for Le Duan's successors.

The bitterness of a long war may have made some retribution against the defeated South Vietnamese forces inevitable. But "re-education" cruelly swept up even neutralists who had opposed Saigon's war effort. Then came persecution of the Chinese minority and occupation of Cambodia, and the desperate escapes of nearly a million boat people, completing the picture of a ferocious, martial nationalism run amok.

Not all these failures are fairly attributed to Le Duan alone. But his regime demanded heroism and sacrifice without ever delivering triumph or peace. His successors have surely been taught about the victories. If wise, they also will study his defeats.

— THE NEW YORK TIMES.

A Pornography Report

In matters of the flesh, we've come a long way, baby. A generation ago, Harvard kept all its dirty books in a special cage in Widener Library — the X Collection, it was called. There is still a vault, but now it is to protect books, not young minds. The X has long since escaped the cage.

Once, incredulous schoolboys exclaimed over smuggled copies of "Tropic of Cancer." By the time they reached adulthood no smuggling was necessary. They could get the "Story of O" in a bookstore. Now their children can buy the pictorial equivalent, at the local candy store, in full color.

Indeed, city dwellers have become so jaded by porn that they find it easy to scorn people who are troubled by it as censors or hicks. Yet millions do wonder, uneasily and conscientiously: Are there not constructive things to do, short of invading the bedroom or stifling free speech?

That was the challenge presented to the Attorney General's Commission on Pornography. The commission has finished its work but the challenge remains. The final report is a well meant, windy muddle.

Accounts of the commission's hearings brim with instances of naïveté and exaggeration. But the 2,000-page report distributed last week gives a calmer, sounder impression. Yes, there is some intense moralizing, careless writing and undue fascination with anecdotal horror stories. But there is also candor about how little time and money the commission had. The commissioners voice special concern for the printed word. They discuss child pornography realistically: Very little of it is commercial; most pictures are taken, and traded, by amateurs; thus it is damnably difficult to police.

One conclusion may typify both the commission's prose and its pragmatism: "The manner of presentation and distribution of most standard pornography confirms the view that at bottom the predominant use of such material is as a masturbatory aid." The term "at bottom" invites a giggle, but the conclusion and perspective are probably right. Most pornography is harmless.

Yet surely not all. Americans need no commission report to deplore sexual abuse of children, whether or not it is recorded in pictures. There is much to be said about the way pornography can degrade women and incite dangerous myths about their supposed desire to be ravished. And anyone who regards other forms of expression as pornographic can picket and protest; free speech works both ways.

The commission recognizes that there is a limit to law and that opinions vary around the nation. It is a long way from Times Square to Winesburg, Ohio. The Supreme Court has offered a useful way to mediate the distance: Let pornography be judged by contemporary standards in a particular community. But the commission nonetheless urges new federal bans on, for instance, cable television and telephone services.

This report offers no new data; there was no money for original research. There is not much help on the analytical or philosophical front, either. The commissioners got caught up in hair-splitting debates about which kinds of pornography might, even arguably, generate sexual violence. Nor does the report seem intended even to meet a political purpose. Stretching to bring all commissioners under the tent, it ends up reasonable in tone but opaque in content.

Every commission starts out promising that it is going to produce more than a volume that collects dust on a shelf. In that sense, the pornography commission has succeeded. It has produced two volumes.

— THE NEW YORK TIMES.

Other Comment

Africans Want Sanctions

Margaret Thatcher has worked herself into a fine old fret over South African sanctions. She has transformed her instinctive dislike of sanctions and the damage they would do to British industry into a crusade to preserve the living standards of South African blacks. Those who argue for economic sanctions, she claimed last week, are indulging in a self-centered act which will make them feel better while damaging the interests of those they are trying to help.

Mrs. Thatcher is right to insist that those seeking sanctions must satisfy themselves that they will do more good than harm, and it is true that industrial development, which would be harmed by sanctions, has provided blacks with a power — that of industrial action. But, whatever the virtues of the argument, it seemed a curious moment for the prime minister to be deploying it. Was it not her own foreign secretary at that moment flying toward southern Africa, the only weapon at his command the threat of sanctions if his peace mission failed?

If Mrs. Thatcher is genuinely concerned about black babies dying in Africa, why has her government proved so persistently deaf to appeals for increased aid for that continent? She is wrong, finally, because she has no right to claim to know better than the blacks themselves where their interests lie. The great majority of legitimate black opinion in South Africa has called for sanctions, and it is presumptuous of Mrs. Thatcher to tell such people that she knows better.

— The Observer (London).

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OPINION

Only Pressure Will Persuade Afrikaners

By Malcolm Fraser

The writer, a former Australian prime minister, is a co-chairman of the Eminent Persons Group, a Commonwealth body set up in 1985 to mediate between the South African government and black opposition. This is the first of two articles.

MELBOURNE — Some say we must be careful not to force the South African government into the laager where it will refuse to budge. I have a contrary view of the Afrikaner character, which I believe should be considered and which is reinforced by the lessons of British history.

The Afrikaner is stubborn, he is determined. He will not be dissuaded from his chosen course by reasoned argument or quiet diplomacy, even if it is called "constructive engagement." He will only be dissuaded by pressure, often extreme pressure. Misunderstanding of this point has hampered the West's dealings with South Africa over decades. We have accepted their disinformation and in our own minds made it reality.

In making a judgment about Sir Geoffrey Howe's planned visit to South Africa, it is important to understand why the Commonwealth group failed to bring about negotiation between black opposition leaders and the government.

A critical stage had been reached at the end of April and early May. The Commonwealth group had grounds for optimism that the South African government would accept our negotiating concept. We were confident the black leadership would do likewise. Why then did the South African government make an about-turn and set its face against negotiation? Why did it embark on a series of actions that have fouled the atmosphere for talks?

There are two reasons. First, there are hard-line members of the cabinet who believe the government could either tough it out or shoot it out with the black population. At least one minister indicated that if enough young terrorists were shot, South Africa's kind of normalcy would be restored. It is clear that, since the bombing on May 19 of three neighboring states, the hard-liners have been in the ascendancy.

The second reason is of great significance and probably served to tip the balance decisively against negotiation. The government has consistently stated that political rights would have to be exercised through racial groups. Its emphasis has always been on group rights, not individual rights. That view of the future, of course, would maintain apartheid, but in another form. It is unacceptable to the black leadership, who emphasize citizenship above all.

I believe the government had believed that in negotiations it would find support for its view. If the black leadership was divided, it may be that one or two of the homeland leaders would have supported the government's concept. However, in our discussions with Nelson Mandela, Chief Gatsha Buthelezi and other African leaders, we formed the opinion that a freed Nelson Mandela would be able to unify African leadership.

Pretoria must have known that it would never be able to get support for its concept of the future in such circumstances. On the contrary, a unified black leadership under Mr. Mandela, the jailed head of the outlawed African National Congress, negotiating with the government, would have exposed absolutely the mythology of the government's claim for South Africa to be a nation of minorities and the falseness of its suggestion that political rights should be exercised through racial groups.

Such a realization, which would have been evident to the government from reports of discussions we had with Chief Buthelezi and Mr. Mandela, must have been a significant contributing factor in turning Pretoria against negotiation.

We must keep in mind that ultimately there will have to be two or more parties to a negotiation. While the Commonwealth group was confident that the black leadership would have accepted our negotiation concept in April, I think that we would be equally confident that today they would not even consider it.

What more must the South African government do, therefore, to re-establish the possibility of negotiation? At the minimum, it would need to withdraw the emergency provisions and laws imposed in the last few months, lift censorship and repeal the Population Registration Act and the Group Areas Act, two fundamental legal pillars of apartheid.

Can Sir Geoffrey persuade the South African government to undertake the measures I have indicated? I am sure the government will say it is prepared to negotiate, that it has been calling for people to come and speak with it for well over a year.

We know that the genuine leaders of the blacks will not talk with the government because the conditions for talks do not prevail. The government has made it plain that it only wants talks on its own terms.

It will be important not to be bemused by South African diplomacy as America has been through five years of "constructive engagement."

International Herald Tribune.

Economic Sanctions Are Immoral and Unworkable

By Margaret Thatcher

These remarks by Prime Minister Thatcher are excerpted from an interview conducted by Hugo Young for The Guardian.

LONDON — Apartheid is wrong. It has to go, and it is going.

□

South Africa has colossal internal resources. A colossal coastline. And whatever sanctions were put on, materials would get in and get out. There's no way you can blockade the whole South African coastline.

□

I think we should have had more contact. We would have influenced [South Africa] more. She would have been able to see that multiracial societies do work in other countries.

They do, of course, have certain problems. We've seen the problems in Kenya and Uganda. But South Africa would have been much more influenced to come our way.

□

There is no case in history that I know of where punitive, general economic sanctions have been effective to bring about internal change.

That is what I believe. That is what the Labor Party in power believed. That is what most of Europe believes. That is what most Western industrialized countries believe. If that is what they believe, there is no point in trying to follow that route.

□

I must tell you I find nothing *moral* about people who come to me, worried about unemployment in [Britain], or about people who come to us to say we must do more to help Africa — particularly black Africans. I find nothing *moral* about them, sitting in comfortable circumstances, with good salaries, inflation-proof pensions, good jobs, saying that we, as a matter of *morality*, will put X hundred thousand black people out of work, knowing that this could lead to starvation, poverty and unemployment, and even greater violence.

I sometimes get the map out and say look at it. Have you looked at how goods are going to get in and out of Zambia and Zimbabwe? Close Beit Bridge and how are you going to do it? That's the maize route. When there was drought, that's the route through which maize went to keep people alive. I ask them, have you looked at it? Have you looked at the poverty and hunger and starvation — just when we're after all trying to give things *to* Africa, to see she doesn't suffer in this way?

I find it astonishing, utterly astonishing, that on the one hand we're doing everything to help Ethiopia, everything to relieve poverty and starvation, everything to get the right seeds, the right husbandry. And at the same time we're suggesting that you turn people who are in work out of work. And add to the problems you've already got. When people call that moral, I just *gasp*.

□

Platinum comes in quantity from only two places, South Africa and the Soviet Union. Are people who say there's a moral question suggesting that the world supply of platinum should be put in charge of the Soviet Union? And there are other things. Your chemical chrome, your vanadium, and of course gold and diamonds. They would have a fantastic effect on the economy of the Soviet Union. To me it is absolutely absurd that people should be prepared to put increasing power into the hands of the Soviet Union on the grounds that they disapprove of apartheid.

□

I don't believe that punitive economic sanctions will bring about internal change. . . .

I think we've done quite well by persuasion, particularly in the last 18 months. But by *non-economic* ways. And we should go on that way.

□

How many of you [Commonwealth leaders] have states of emergency? How long have you had them? How many of you detain people without trial? How many have had censorship? How many of you have excluded people on racial grounds? . . .

It's not patronizing. That's just putting facts to them. Patronizing? What's patronizing about putting the facts? The Commonwealth's been strong enough to survive all those things. It's not for me to be patronizing. I try not to be. Not for us to be patronizing to South Africa either. We don't live there.

The Guardian.

The Failed Coup's Message: Marcos Is Finished

By Richard N. Haass

CAMBRIDGE, Massachusetts — The coup attempt was pure comic opera. The attempt by the defeated vice presidential candidate, Arturo Tolentino, to oust the government of President Corazon Aquino lasted just 38 hours. Most of the soldiers who gathered around Mr. Tolentino in the plush Manila Hotel deserted as soon as they realized that senior military officials stood by the new government. Mr. Tolentino, who left soon after, said that he could not remain in the hotel for long because it was too expensive.

There were several reasons for the ill-fated attempt to overthrow the Aquino government. Supporters of the former president, Ferdinand Marcos, were not about to give up all hope of regaining power after enjoying it for a generation. Some of Mrs. Aquino's initial reforms had generated considerable opposition. The economy, after an initial pickup, is in the doldrums. And the government's tolerance of pro-Marcos demonstrations suggested a possible unwillingness to confront serious opposition.

Nevertheless, the fact that the attempt failed can only help the new government. The coup revealed nothing so much as how little popularity ex-President Marcos commands. Particularly significant was the absence from the Manila Hotel of old Marcos associates. And the government surely gained support by acting with a that reflected maturity and confidence. The coup also helped the United States. The official U.S. statement supporting the Aquino government should go a long way toward laying to rest charges that Washington desires the return of Mr. Marcos. The Reagan administration still has the awkward problem of what to do about Mr. Marcos. There does not seem to be proof of a direct role in the coup attempt by the former president, yet it is difficult to imagine that it could have happened without his tacit support.

But U.S. concerns transcend Mr. Marcos. America has a clear stake in the success of the Aquino experiment. At issue are not only valuable strategic assets in the Philippines but also the effect of a successful transition from authoritarianism to democracy. What happens will have a ripple effect in other countries where political unrest puts U.S. interests in jeopardy.

For Mrs. Aquino, the stakes and challenges are great. Once again she owes a considerable debt to Defense Minister Juan Ponce Enrile. It was his backing that proved crucial in ousting Mr. Marcos; it was his quick denunciation of the rebels that doomed the coup. Yet the president and her defense minister are often at odds. She is wary of his independent power base and political ambitions. He is reportedly wary of leftist influence in her government. Mrs. Aquino has yet to pursue the Communist New People's Army with the tenacity that the military desires. The radical left is divided and weakened after the Aquino victory. But the offer of amnesty has yet to bring many guerrillas down from the hills because means must be found to protect them and help them make a living. Meanwhile, the war goes on.

There are other political challenges. Much of Mrs. Aquino's future will depend on the success of the constitutional convention that is due to produce a draft document in September. And after forcing from office a large number of Marcos loyalists, Mrs. Aquino must follow through on her promise to hold local elections.

Finally, the government has yet to turn the economy around. The currency has stabilized, inflation and interest rates are down, exports are reviving, but the economy is being hurt by reduced tourism, falling commodity prices, a large foreign debt and low foreign investment.

Arturo Tolentino may have done President Aquino's government a service if his inept bid for power convinces his countrymen that the new order is here to stay.

The writer, a professor at Harvard University's Kennedy School of Government, visited the Philippines earlier this year. He contributed this comment to the Los Angeles Times.

For Gandhi, a Lot Rides on a Punjab Settlement

By S. Nihal Singh

BOMBAY — A lot is riding on Prime Minister Rajiv Gandhi's ability to resolve the Punjab tangle. A failure to display statesmanship and firmness in taking the country out of the present impasse would have serious repercussions on his leadership and on India's future.

Almost a year after the much-acclaimed accord on Punjab between

Rajiv Gandhi, by Daulle.

Mr. Gandhi and the slain moderate Sikh leader, Harchand Singh Longowal, the mood in Delhi remains pessimistic. Although Surjit Singh Barnala, Punjab's chief minister, continued the policy of Mr. Longowal after his murder last August and led the Akali Dal, the main Sikh party, to a convincing victory in state elections, the minister has now got himself into a corner. The whole basis of the central government's strategy to bring Punjab back to normalcy, based on an accord with the moderate Sikh leadership, is in danger of coming unstuck.

The most dramatic symbol of the Punjab accord — the transfer to Punjab of Chandigarh, a federally administered city that Punjab and Hindu-dominated Haryana have shared as a capital — remains unfulfilled after two missed deadlines. In addition, the differing political pressures on Mr. Gandhi and Mr. Barnala are also making a solution to the problem more difficult.

As the clock ticks away, militants take victims every day. Two areas of Punjab, Amritsar and Gurdaspur, provide a haven for those fighting for a separate state of Khalistan. The militants choose Sikh targets with care but kill Hindus almost at random. The violence has prompted Hindu families to flee from Punjab to the safety of Haryana or New Delhi.

When militants captured the most sacred Sikh shrine, the Golden Temple in Amritsar, and were flushed out by the police and paramilitary forces at Mr. Barnala's orders, some hard-liners in Mr. Barnala's camp broke ranks and formed their own faction. (Mr. Barnala bowed to the main Sikh priests' injunction to shine shoes as a form of penance for ordering the police into the Golden Temple.)

Mr. Gandhi's policy was to transfer Chandigarh to Punjab, on the basis of a compensatory award of Punjab territory to Haryana, by June 21. This, Mr. Gandhi, hoped, would strengthen Mr. Barnala's hands in cementing an accord with the Indian government. But commissions set up to award and identify land in Punjab needed more time. One commission ruled that 70,000 acres (28,000 hectares) should be awarded to Haryana, but could identify only 45,000 acres. Another commission charged with identifying the remaining 25,000 acres in less than a day, in order to meet the new deadline, had its ruling rejected by Punjab. Chandigarh's transfer to Punjab was postponed yet again because New Delhi insisted on the transfer of the entire 70,000 acres simultaneously with the transfer of the state capital.

Punjab and Mr. Barnala cannot appear to be caving in to pressure from New Delhi for fear of strengthening the breakaway Akali faction. Mr. Gandhi, for his part, is on the defensive because of fear of losing Haryana to the opposition, which cites Hindu migration and the Punjab militants' enhanced capabilities to kill people at random, and accuses the prime minister of appeasing Punjab at Haryana's expense.

Mr. Gandhi has to take two major considerations into account. First, he has to keep in mind dissent in his own Congress (I) party, with congressmen accusing him of rushing into the Punjab accord and weakening the party. Second, he is painfully aware of the risks involved in appearing to be less than zealous in protecting the Hindu minority in Punjab. Hindus are in overwhelming majority in the rest of the country, except for Kashmir.

The first consideration forced Mr. Gandhi to insist on the transfer of all the 70,000 acres to Haryana simultaneously with the transfer of Chandigarh to Punjab. The second obliged him to ask Mr. Barnala to act to improve law and order in Punjab. Mr. Gandhi also sent extra paramilitary forces to Punjab.

The failure of yet another attempt to honor the Punjab accord has strengthened the hands of the hard-liners in Mr. Gandhi's camp.

Some critics have suggested that the accord is virtually dead. Yet New Delhi has few viable options to bring a dangerous situation under control. Dismissing the Barnala government and directly ruling Punjab would only further alienate Sikhs and strengthen the militants' hands. Sending the army into Punjab to tackle the gun-toting supporters of Khalistan could offer a reprieve but is no solution. Besides, the army itself would not relish such a role.

The only statesmanlike approach to restoring peace in Punjab is to bring the moderate Sikh leadership around to make the accord work.

The writer is editor of a forthcoming daily, The Indian Post, to be published from Bombay. He contributed this comment to the International Herald Tribune.

Many Costs Of Tyranny Come Late

By Flora Lewis

PARIS — The overthrow of [illegible] dictatorial and military [illegible] power in recent years brings the focus on those remaining. There always arguments about the [illegible] of destroying order without [illegible] ing law and liberty when forces gathering to topple tyrants.

Chile, South Korea and the [illegible] case of South Africa are [illegible] these days of confrontations [illegible] some say the aftermath of [illegible] or profoundly reforming the [illegible] could be as bad as or worse [illegible] current distress. The U.S. gov[illegible]ment hesitates to press for [illegible] change on that ground.

Nicaragua is cited as an exam[illegible] where ousting a dictator led to [illegible] even more authoritarian, Marxist [illegible]gime and (with U.S. help) costly [illegible] fighting. Haiti flails and stumb[illegible] unable to pick itself up. The Phi[illegible]pines looks promising, but stabi[illegible] cannot yet be taken for granted.

It is a commonplace to obse[illegible] that dictatorship is bad for pe[illegible]cally everyone except the few [illegible] whom it offers privileges, and th[illegible] perpetrates fearful crimes and c[illegible] spreads corruption. But not enou[illegible] attention is paid to the burden of [illegible] heritage. It is the victorious de[illegible]crats and their long-suffering peo[illegible] who have to keep on paying for [illegible] years of their own oppression, as t[illegible] try to pick up the pieces and put t[illegible] countries back together.

The biggest problems faced [illegible] President Corazon Aquino in Ma[illegible] and President Raúl Alfonsín in B[illegible]nos Aires come from the econo[illegible] destruction caused by their predec[illegible]sors. The Philippines' crippling [illegible] was the result of crony monopo[illegible] graft and mismanagement. Argen[illegible]na's was due primarily to the sq[illegible]dering of the nation's substance [illegible] arms and atoms by the military.

It seems unfair that the people [illegible] were not responsible for the disas[illegible] indeed were punished for oppo[illegible] what was happening, have to bear [illegible] responsibility for repayment [illegible] they do. Debts must be honored i[illegible] global financial system is to funct[illegible] and a nation's obligations are not [illegible] to its rulers. Perhaps the internat[illegible]al financial institutions could sh[illegible] little more understanding and a [illegible] temporary distinctions, but the p[illegible]lem won't go away.

President Reagan has had the g[illegible] fortune of being in office during [illegible] period of waxing democracy in s[illegible] parts of the world, notably L[illegible] America. If any U.S. policy deser[illegible] credit for it, however, it was tha[illegible] President Jimmy Carter, whose [illegible] man rights activism helped pro[illegible] the groundwork. It takes time for [illegible] challenges to ripen and prevail.

Meanwhile the bills pile up. [illegible] should be remembered when t[illegible] are questions of what to do w[illegible] undemocratic regimes now comm[illegible]der internal pressure. There [illegible] reasons to fear instability and [illegible] tyrannies in these countries. [illegible] weighing against them are reasons [illegible] not holding back encouragemen[illegible] struggling democrats. Not only [illegible] their agony prolonged under auth[illegible] tarianism. The more it lasts, the m[illegible] they will have to make up for lat[illegible]

The current issue of Foreign Po[illegible] magazine has some interesting [illegible] cussions of factors that the Un[illegible] States should consider.

Former Secretary of State C[illegible] Vance argues that concern for hu[illegible] rights is a realistic as well as ideal[illegible] yardstick for foreign policy. "[illegible] United States must always bea[illegible] mind," he says, "that the demand [illegible] individual freedom and human di[illegible]ty cannot be quelled without sow[illegible] the seeds of discord and violent c[illegible] vulsion. Thus, supporting constr[illegible]tive change that enhances individ[illegible] freedom is both morally right an[illegible] America's national interest."

Congressman Stephen J. So[illegible] concentrates on the issue of whet[illegible] the United States should interven[illegible] resistance movements develop [illegible] appeal for help. He wisely insists t[illegible] there can be no global answer [illegible] that no case can set a compell[illegible] precedent for the next one.

But he offers some sound gu[illegible] lines for judgment, giving full prio[illegible] to clearly defined, well understo[illegible] U.S. national interests. Neither a[illegible] communism nor sympathy is a [illegible] enough reason on its own to in[illegible] vene. The question should addr[illegible] "specifics rather than abstracti[illegible] and realities instead of doctrines."

This makes sense. The spread [illegible] democracy is in the U.S. inter[illegible] Washington cannot create or impo[illegible] it where it doesn't exist, or prot[illegible] those whose rulers refuse it. But [illegible] cost of tyranny outlives despots, a[illegible] that, too, must be in the accountin[illegible]

The New York Times.

IN OUR PAGES, 75 AND 50 YEARS AGO

1911: Fires in Ontario

NEW YORK — Tremendous conflagrations have spread destruction across vast areas of forest in Northern Ontario. Dozens of mines have been destroyed, while people who were overtaken by the flames were burned to death as they ran. Miners, chiefly foreigners, who had retreated into the workings for safety, died from suffocation. It is estimated that the walls of flames encompassed more than 300 miles. Not until rain comes will the complete death list be known. Several instances are recorded of persons who remained several hours in rivers and creeks until the flames passed by. The latest reports say that the flames are under control in the Porcupine district and the list of dead probably will not exceed 300, of whom 200 perished in the Porcupine Lake when boats carrying refugees were upset by squalls.

1936: One Less Quarre[illegible]

PRAGUE — Official Czechos[illegible] vakian circles regard the normali[illegible] tion of relations between Germa[illegible] and Austria as a gain for the int[illegible] national situation, which has also [illegible] advantages for Czechoslovakia. T[illegible] Foreign Office declares that it h[illegible] always considered the German-Au[illegible] trian conflict as a drawback, since [illegible] was one quarrel more in Central E[illegible] rope which increased the possibil[illegible] of a general conflagration.

BERLIN — A German move to co[illegible] clude an agreement with Czech[illegible] slovakia on the lines of the Austr[illegible] German accord is seen in politi[illegible] circles here. The German offer is sa[illegible] to be based on nonaggression a[illegible] noninterference in Czechoslovaki[illegible] internal affairs. Meanwhile, Mil[illegible] Hodza, Czechoslovak Premier, h[illegible] arrived in Vienna to discuss the Au[illegible] tro-German accord.

OPINION

ews of the Death of G-R-H s Premature, H Maintains

By George F. Will

ASHINGTON — The U.S. Supreme Court has ruled that Congress and the president can't chop the deficit in exactly the Gramm-Rudman-Hollings way. The ruling was technical. In consequence it will be trivial, according to Senator Fritz Hollings.

G-R-H requires the federal deficit to be reduced in five equal increments to zero by 1991. The president proposes his share of pains for achieving that. Congress can ratify his menu or write its own. Failing that, the directors of the Office of Management and Budget and the Congressional Budget Office jointly will issue deficit estimates and across-the-board, program-by-program cuts to the comptroller general. He reports to the president, who is required to order the spending reduction ("sequestrations") the comptroller general stipulates.

The court says the comptroller general violates the constitutional doctrine of separation of powers, a doctrine not often the topic of table talk in suburban American bungalows. The court says that G-R-H vests the comptroller general with "executive" powers. That is impermissible because of a 1921 law giving Congress power to remove the comptroller general. To vest executive powers in him would be to allow Congress to control the execution of its acts. Justice Byron White (Harry Blackmun also dissented) says it is disproportionate to derail "one of the most novel and far-reaching legislative responses to the fiscal crisis since the New Deal" on the technical provision of a 65-year-old statute. There is, he says, no potential for serious disruption of constitutional functions. All the comptroller general was authorized to do was apply detailed criteria written by Congress and signed by the president. The comptroller general was not to exercise discretion.

Anyway, says Justice White, Congress can control executive officials legislatively by imposing duties, or increasing or decreasing funds, or even abolishing the office — so why make such a ruckus about the potential for Congress to control the comptroller general as he performs a pro forma, accountant's duty?

Never mind, says the "H" of G-R-H, the ruling is small beer.

Hollings is the only senator who sometimes requires subtitles, like a foreign movie. In 1984 Lars-Erik Nelson of the New York Daily News rendered a Hollings statement phonetically: "I spint foteen yahrs own a skewel system. He has spint thuddy yahrs in Washington politics — he was elected South Carolina's governor in 1958 at 36 — and there is no need for translation when he says technicalities do not control the real politics that produced G-R-H.

This year, he says, the president declared that tax reform was his number one priority, and the media were preoccupied with terrorism and arms control. But in the summer recess Congress got an earful from the public concerning the deficit. Hence G-R-H.

The public, Mr. Hollings says, may be noticing that "the first thing the government does every morning is borrow another $500 million" to pay the interest on the money it has borrowed. Rounding off the numbers, he says America is spending $300 billion on defense, $300 billion on entitlements, $200 billion on the rest of government — and $200 billion on carrying charges.

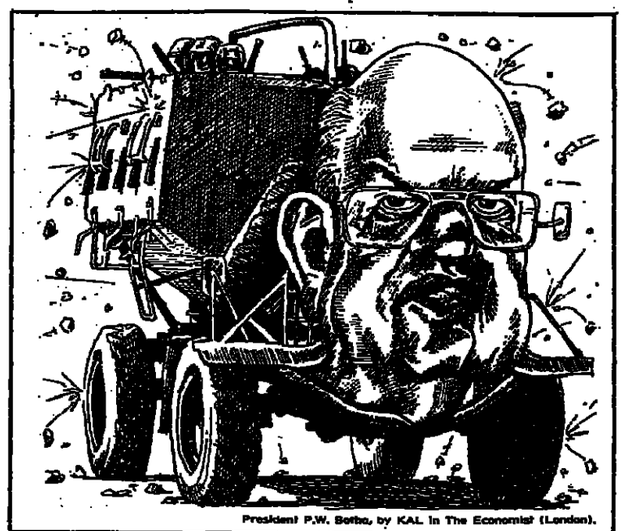
In the last year Congress has wrapped itself in G-R-H as in the flag; so has the president. Besides, G-R-H is already hard at work. In the Senate recently, $900 million was knocked out of an agriculture spending bill on a point of order. The point was that the bill increased spending without providing for compensating revenues or cuts; hence it enlarged the deficit and violated G-R-H.

The problem that concerns the court is easy to fix: Change the 1921 law, making the comptroller general removable by the president.

Anyway, Congress had doubts about the constitutionality of the comptroller general's role and built into G-R-H a fallback provision whereby Congress legislates and the president must sign (or veto) the sequestration order. So legislatively there is a way to do it.

All this is untidy, and G-R-H may indeed be a ten-thumbed way of cutting the deficit. But no one ever recommended democracy for its elegance.

Washington Post Writers Group.



President P.W. Botha, by KAL in The Economist (London).

'I hope I can be gone before he discovers I'm here.'

An Easter Island Treasure in a Basement

By Colman McCarthy

WASHINGTON — I'm not sure if it's history or just lore, but I'm seeing it closer than anyone. In the basement of the house next door, the world's largest collection of information on Easter Island is being boxed in preparation for a six-mile haul to the Smithsonian Institution for permanent storage.

The boxer is Charles Love, 42, an anthropologist from Western Wyoming Community College. How the Smithsonian-bound treasure came to be next door is a tale of high intellectual romance, and one that should not be lost on the back shelves of scholarship.

If I had to say who was closer to the truth of the ages, the archaeologists who get mud on their hands or the historians who conjecture in their office about the meaning of the mud, I would choose the archaeologists. That was the choice of Bob Alexander, my neighbor for a decade and who, until his death at 80 last August, knew more about the literature on Easter Island than anyone else.

That grand claim is supported by Charlie Love, who apprenticed under William Mulloy, the legendary Wyoming anthropology professor who made repeated field trips to Easter Island from the 1950s through the '70s.

As an amateur judge of Easter Island authoritativeness, I would go along with the reputation earned by Bob Alexander. In 10 years of living-room conversations — he had vinegary opinions on world issues and wry commentaries on neighborhood ones — I don't recall ever asking a question about Easter Island that did not receive a definitive, annotated and, if need be, footnoted answer.

It is true that my one-part questions often received four-part replies. So on occasion I had to lie on the sofa when the followup came for the next and-that-reminds-me-of-the-time anecdote. But standing, sitting or lying, I knew that in this city of experts, here really was one.

Bob Alexander, who moved into his house in 1945 with his wife Zoe, served for 25 years with the Defense Intelligence Agency. He was born in Japan to missionary parents. Harvard University Press published his book "Kokuji,"

MEANWHILE

which explained the relationship between Chinese and Japanese linguistics. After visiting Easter Island in 1975 he began his collecting spree.

The major legacy is a bibliography that has nearly 3,000 entries of articles, papers, tapes, photographs, books and other material on the subtropical island that is the most isolated inhabited place on Earth. At the Smithsonian, Adrienne Kaeppler, the curator for oceanic ethnology in the anthropology section of the natural history museum, elatedly reports that the gift of the Alexander collection has created "a feeling of excitement. It is quite unusual for a gift like this to come in unannounced."

Announcements were alien to Bob Alexander. They would have taken him outside his scholarly world of libraries.

The shelves in his basement retreat were lined with Russian, Czechoslovak, French and Japanese books on the barren rock island that is 12 miles long, 2,300 miles west of Chile and 2,100 miles east of Tahiti. Whatever anyone could want to know about what others know about Easter Island passed through his hands. His bibliography carries the light (an article from a travel club on "Christmas Day on Easter Island"), the heavy (an Australian account of an "excavation of a rectangular house on the east rim of Rano Kau Volcano"), the obscure (an entomologist's paper on "the orthopteroid insects of Easter Island") and the popular (John Dos Passos' book "Easter Island: Island of Enigmas").

Through their mutual devotion to scholarship, Mr. Alexander and Mr. Love bonded in a rare friendship. The Wyoming professor has been spending the early summer in the Alexander basement sorting and filing what his older guide began 10 years ago.

In 1982 Mr. Love gave an address at the Smithsonian which helps explain his devotedness: "One of the major mysteries about Easter Island, since it has enormous stone statues and enormous ceremonial centers, stems from what I would consider to be a Western viewpoint. We, in our minds, don't want to allow tribal people the ability to do impressive things, least of all in isolation. They aren't supposed to carve 85-ton statues and move them four miles. They're not supposed to haul huge stones around or make 15-foot high walls ... Not only that but they made 300 of these ceremonial plazas, and carved nearly 1,000 statues. Nobody ever told them they weren't supposed to do that."

People probably told Bob Alexander he wasn't supposed to become the world's librarian on Easter Island, or at least should have waited for a foundation grant. Like an archaeologist, he dug deep into his own best instincts. What he found was the joy of his life and the surprise of the neighborhood.

The Washington Post.

LETTERS TO THE EDITOR

No, Washington Should Not Intervene for Democracy

When U.S. Secretary of State George Shultz declares that "America has partners out there eager for U.S. help" *("America Should Intervene for Democracy," July 5)*, Chileans have special cause to sit up and take note.

Various signs, including a surge in U.S. media attention to Chile, give rise to the question: Is Washington preparing or carrying out a new intervention in Chilean affairs? Past U.S. intervention in Chile has been bad both for Chileans and for the United States itself.

Interference with the administration of the late President Salvador Allende, besides provoking a bloodbath that continues to this day, increased conscious and unconscious anti-Americanism in Latin America and elsewhere.

Henry Kissinger and Richard Nixon proposed to induce a new state and a new society in Chile, in which that "irresponsible" people (as Mr. Kissinger called us in 1970) would abandon its penchant toward the center-left and left. Many years later, serious observers consider that the Chilean left has increased in numbers. Thus, anti-Allende U.S. intervention was inefficient.

Now Ronald Reagan has gone on record as opposed to tyrannies of the right, such as that of Augusto Pinochet. Mr. Reagan should beware.

As long ago as in 1917, before the Bolshevik revolution, a distinguished Chilean, Marcial Martinez, warned against U.S. intervention in Latin America. "Let them not come and hector," he said, dismissing pan-Americanism as "a ridiculous and impracticable concept."

In 1977, George F. Kennan wrote in "The Cloud of Danger," referring to South America: "The less we fuss over these countries, the less we burden them with our presence, the less we interest ourselves in their affairs, the better we will be regarded, and the less strained will be the relationship generally."

All this does not mean: Leave General Pinochet alone, and to hell with Chile.

Intervention in Chile, whether covert or overt, simply does not work the way the U.S. government wants it to. If General Pinochet were seen to be losing his power because of U.S. opposition to him — even though his fall, in any case, would be due to the will of the Chilean people — it can be predicted that subsequent regimes would be as unstable as his; a mythical, falsely nationalist "Pinochet model" would arise, durably destabilizing Chilean politics; anti-Americanism would be stronger than ever.

There is one exception to the golden rule of U.S. nonintervention in Chilean affairs: human rights. Legal arguments, not to mention moral ones, justify remonstrances and retorsion against regimes that violate them. And General Pinochet's is a horrendous dictatorship. Americans, given their role in helping to bring on the 1973 coup d'état, have special responsibilities here.

But that does not give them any special privilege to meddle in Chilean politics — again, with the exception of responding to human rights violations. The status of leading world power demands self-discipline and restraint. It is better to abstain than to overreact.

In " Chile: Dilemma for U.S. Policy" (Foreign Affairs, Spring 1986), by Mark Falcoff of the American Enterprise Institute urges "a straightforward resumption of assistance to those elements which have historically constituted the bulwark of the democratic system in Chile." But who has given the United States a tutorship to determine which those elements are, what sort of democracy they have historically constituted and when that history begins?

Are those elements the old CIA agents who supported the 1973 coup, worked with General Pinochet and now sometimes depict themselves as a loyal opposition to his majesty? Are they U.S. instruments in the government and the armed forces? Are they new agents, recruited in the Pinochet years?

Who decides for Chile?

ARMANDO URIBE.
University of Paris (Sorbonne).

The SDI Is a Deterrent

Regarding "Reagan's To-and-Froing Leaves Allies Perplexed" (July 3):

Christoph Bertram poses a false dichotomy when he says that the Strategic Defense Initiative "was at first supposed to replace the doctrine of mutual assured destruction. Then ... it was declared a way of enhancing deterrence." In fact it will do both.

Even a less than perfect defense against ballistic missile attack will greatly increase the risks of a first strike, and hence greatly lower the probability of it occurring. Whether the threat comes from ballistic missiles armed with conventional warheads, as the West German defense minister, Manfred Wörner, pointed out in a recent article in Strategic Review, or with nuclear warheads striking intercontinental targets, the best way to deter the Soviets is to defend what is worth attacking. The Soviets realize this; otherwise they would not be falling over themselves with a plethora of proposals to eliminate the SDI.

SCOTT SUNQUIST.
Saint-Denis, France.

Oversimplifying Integration

Although I agree with the description by Governor Richard D. Lamm of the social and economic problems facing Hispanics in the United States *("Immigrants Must Become Americans," July 2)*, I am troubled by his oversimplification of the concept of assimilation and his suggestion that the English language is the solution to the problem.

Historically, integration of immigrants into mainstream U.S. culture has been through economic success. So long as U.S. Hispanics remain economically isolated, it is unlikely that they will have the ability or the desire to assimilate.

The limited success of bilingual education in the United States should be evidence that the problem of assimilation is not merely linguistic in nature. The United States has not done well with minority groups, especially blacks and Hispanics, in its history, in part because of this kind of simplistic thinking about the role of language in relation to social and economic variables. If Americans expect to find solutions to the problems of assimilation and acculturation, it is time to start thinking about what it means to be an American and what social and economic obstacles prevent certain groups of immigrants from achieving this status.

WILLIAM PERRY.
Freiburg, West Germany.

...uattro. First it was courage. Now it is experience.

Several years ago, the Audi engineers pooled their considerable technical know-how and developed permanent four-wheel drive. Then they tested it in countless rallies and finally installed this unique safety concept right through the model range. And what did the competition think of all this? Well, frankly, they were sceptical. Today, however, it's a different story. Many of the best-known manufacturers are doing their best to copy this concept, while Audi now has the experience of over 70,000 units sold under its belt.

Added to which, the inspired Audi technical concept remains unique. Your Audi has a high degree of directional stability, can corner faster and gives you additional safety when things get dodgy – winter or summer. Why not test drive a quattro and see for yourself.

quattro

Audi

Vorsprung durch Technik

Pretoria Orders Blacks To Reapply for School; May Refuse Them Entry

Compiled by Our Staff From Dispatches

JOHANNESBURG — President Pieter W. Botha issued a proclamation Sunday saying the 1.7 million black students scheduled to resume their school year Monday must apply to attend class and that officials can refuse them without giving reasons.

The proclamation, published in the Government Gazette, also said the decisions cannot be appealed through any process, apparently including the courts.

There has been speculation about whether black students would show up for class Monday, which the black Congress of South African Trade Unions has declared a national day of protest against the state of emergency imposed June 12. Strikes and sit-ins are planned.

Mr. Botha authorized officials in the white-run department responsible for black schooling to refuse to enroll any pupil they choose, with no right of appeal.

Pupils, many of whom have begun sporadic political protest boycotts, may be regraded to different classes by the authorities. If they object, they "shall be deemed to have left the school voluntarily," the regulations say.

The Department of Education and Training, responsible for black schooling, plans to issue identity cards to pupils and post security guards at schools. It called back teachers two weeks ago for instruction on how they were expected to behave in class.

A spokesman for the National Education Crisis Committee, a black organization representing pupils and parents, said the regulations had sinister implications and were imposed without consultation.

Meanwhile, the 500,000-member Congress of South African Trade Unions plans a day of industrial protest Monday over emergency rule, which has resulted in the detention of thousands of people, including many union leaders. Sources in the union federation say sit-ins and strikes are planned throughout the country.

(AP, Reuters, UPI)

■ Thatcher Rebuffs Sanctions

Prime Minister Margaret Thatcher of Britain on Saturday defended her stand against mandatory sanctions on South Africa, citing strategic reasons, Reuters reported from Vancouver, British Columbia.

At a news conference Saturday during a visit, Mrs. Thatcher said sanctions on South Africa would force the West to rely on the Soviet Union to supply key strategic materials such as platinum and chemical chrome, and would increase unemployment, starvation and deprivation among blacks.

She also said she regretted a decision by Nigeria, Ghana, Kenya, Uganda and Tanzania to boycott this month's Commonwealth Games in Edinburgh.

"It doesn't matter who pulls out of the Commonwealth Games," she said. "It will not help end apartheid in South Africa."

The Associated Press

ESCAPING VIOLENCE — Residents flee an area of Soweto, a black township outside Johannesburg, after clashes between migrant hostel dwellers and radical black youths.

JAIL: *Reports of Torture, Assault Among 'Disappeared'*

(Continued from Page 1)

be "immediately dispatched to visit the cell and examine the detainee."

Mr. Harris gets most of his clients from the Detainees' Parents Support Committee, one of the groups that has compiled lists of the missing. Because the group's offices have been raided several times since the emergency began, its list is kept in a private location and journalists are asked to reveal only its numbers.

As of last week, the list had 2,111 names, including 488 community activists, 261 teachers and students, 209 trade unionists, 67 clergy and church workers and 12 journalists. A labor monitoring group connected with the University of Witwatersrand has reported that 245 union officials remain in detention and that 2,324 rank-and-file members have been held.

A detainees' committee member, who asked not to be named, said previous experience suggested that for every one of the 2,111 names the committee has compiled there may be two others being held who have not been reported. Western diplomats say they have received estimates as high as 8,000.

Police say they are trying to contact the next of kin of those picked up. But in only 77 of the committee's most recent list of 498 new cases of detentions had relatives been informed.

Those inside the jails are all but sealed off. Prison regulations published the same day as the emergency stipulate that visits can take place only with the concurrence of both police and prison officials.

HONDURAS: *Continuing U.S. Military Presence*

(Continued from Page 1)

rary facilities" for occasional military exercises.

U.S. diplomats and intelligence agents appear to spend a great deal of time monitoring and at times placating the Honduran officer corps, which remains the chief holder of power in the country.

Although the civilian government of President José Azcona Hoyo has backed U.S. military plans, according to several diplomatic sources, the senior army officers remain the final guarantors of the American military policy in Honduras, as well as of the guerrilla war against the Nicaraguan government.

In return, the Honduran Army's high command has demanded and received a new, tighter security pact with the United States that includes assurances from President Ronald Reagan that the United States will defend Honduras in case of attack from Nicaragua.

In addition, according to American officials, the Reagan administration has made an explicit pledge to the Honduran government that the United States will provide whatever aircraft are necessary to maintain Honduran air superiority over Nicaragua.

American military planners there acknowledge that the preparations made could take on critical importance because Honduras could be the staging area if the United States were to invade Nicaragua in the years ahead.

American officials add, however, that they hope Nicaraguan guerrillas will be able to topple the Sandinists because an invasion would exact a high political and human cost.

"An invasion is possible, but it is not the best solution," a U.S. official in Honduras said. "The shooting would be short, but getting out would be hell."

Nonetheless, a possible attack on Nicaragua appears to have been directly and indirectly rehearsed in dozens of large and small U.S. military maneuvers over the last three and a half years. United States officials say the exercises, which they define as "for training purposes only," will continue for the foreseeable future.

In the last large exercise, which ended in April, 2,000 U.S. officers went to Honduras to run a mock war that was designed to involve at least 30,000 American troops, according to American officials.

"There were so many generals running around here the stars blinded you," said a U.S. Army sergeant at Palmerola airfield, about 50 miles (80 kilometers) northwest of Tegucigalpa.

Besides planning for a possible attack on Nicaragua, U.S. military activities have involved combat support for anti-Sandinist Nicaraguan guerrillas, as well as for the Salvadoran and Honduran armies.

A military analyst in Honduras said American intelligence-gathering activities against Nicaragua would "significantly increase" with the growing guerrilla war against Nicaragua, in which the Central Intelligence Agency is now permitted to play a leading role.

Four months ago, American helicopters and pilots flew Honduran troops within three miles of the Nicaraguan border to repel a Sandinist attack against Nicaraguan guerrilla bases. In addition, an airfield built by the United States during a military maneuver has been turned over to the CIA to assist and supply Nicaraguan guerrillas, according to several American officials.

In further activities, U.S. spy flights from several U.S.-built airfields in Honduras collect intelligence for the Nicaraguan guerrillas and for the Salvadoran Army, according to military officials.

CHILDREN: *A Generation Is Growing Up Hungry in Sub-Saharan Africa*

(Continued from Page 1)

tion fell 32 percent in the 1960s and 1970s, according to a UNICEF report on Africa's children.

The United Nations Food and Agriculture Organization says most African countries adopted policies that gave farmers little incentive to grow more food than their own families could eat. Instead, these policies lured many farmers, the backbone of poor African economies, to cities. There, they stopped farming and started eating imported food, purchased with overvalued currency and foreign-aid money. In those years, food imports rose tenfold.

Governments spent heavily in the 1970s by borrowing extensively from private Western banks and from multilateral lending agencies, which directed much of the money into large, prestigious projects.

In the 1980s, however, the flow of foreign money all but stopped as oil revenue fell and investors woke up to Africa's anemic capacity to pay back what it had borrowed. The World Bank said this spring that Africa now had the lowest foreign investment rate of any developing region, a rate too low to "provide for new productive capacity or even to maintain and rehabilitate existing capacity."

The debts of the 1970s are due now. Recent outpourings of emergency assistance from the West have not come close to covering the flight of hard currency from the continent. While $3 billion in emergency aid flowed into black Africa last year, UNICEF says $12 billion flowed out to foreign creditors.

What that means to Africa's children, according to the World Bank and UNICEF, is that many African governments are choosing to trim spending, pay debts, and discipline their national economies by cutting back in services that prop up the health and education of children and mothers.

Immunization has declined in Zambia, Tanzania, Ghana and Uganda, and has stalled in many other financially strapped African countries, says the World Health Organization. It reports that child immunization levels in Africa are the lowest in the world. The agency says only 35 percent of children are immunized against measles, a disease doctors call a "disaster" for even mildly malnourished children.

The most celebrated and, on the surface, successful economic adjustment has occurred in Ghana, which for 20 years propelled itself into a classic African economic tailspin, with near destruction of its once-lucrative cocoa industry.

In 1983, Ghana began taking the free-market economic advice prescribed by the International Monetary Fund and the World Bank. Since then, the adjustment package has guaranteed high prices to farmers, increased exports, cut inflation and triggered strong economic growth. Ghana's program has been hailed in the West as a "blueprint for Africa."

For some of Ghana's children, however, the program has been a blueprint for death. UNICEF reports that debt repayments and fuel bills have forced drastic cuts in health, education and water supply budgets. Forty percent of the country's water supply systems have broken down for lack of money to buy spare parts, the UNICEF report said. In addition, it said, schools have inadequate supplies, and hospitals are chronically short of drugs.

"In Ghana, the infant mortality rate, which had steadily declined over the past 15 to 20 years to approximately 100 deaths for every 1,000 live births, now appears to have increased to about 120 to 130 per 1,000," says a recent UNICEF field report. "The rate is as high as 250 per 1,000 in some areas and probably one-third of all children do not live to the age of five."

To find out what else is squeezing the children of Africa, one should go to lunch here at the highland farm of Josphat and Madris N'gang'a.

It was 2:30 P.M. and hot. Wanja N'gang'a was sitting with her father and five of her older siblings in the shade outside the family's mud-and-thatch hut for their first solid meal of the day.

Wanja climbed onto her mother's lap and was spoon-fed a thick porridge of corn and beans. With the porridge were some boiled greens, leaves of cowpeas that Wanja's mother had picked earlier in the day.

There was nothing nutritionally amiss in Wanja's lunch, according to David Alnwick, a UNICEF nutritionist who monitors feeding projects in 18 countries of eastern and southern Africa.

"It is not that farm kids are getting the wrong food. The balance of nutrients is roughly okay," Mr. Alnwick said. "They are just not getting enough of it."

The porridge that Wanja ate for lunch, a staple in much of East Africa, is bulky and low in calories, Mr. Alnwick said that many children "simply cannot get enough of it into their stomachs" during the typical two meals a day to avoid malnutrition.

"If the mother could feed her children five times a day that would solve the problem," Mr. Alnwick said. "But in order for a mother to do this, she must give up something else that might endanger her ability to provide for the family."

Like most African women, Wanja's mother does not have time to feed her children five times a day.

Her husband at 43 years of age is typical of many African farmers in that he concentrates his attention on cash crops such as tobacco and coffee while his wife takes care of the planting, weeding, harvesting and cooking the food that keeps him and his children alive.

The N'gang'a children are luckier than many in Africa because their father lives at home. He says he turns over all the earnings of his cash crops for clothing and school fees for the children. Last year, he says, he earned about $125 from tobacco.

There is strong evidence across Africa that the workload of many women is growing because African men have been lured to cities by hopes of high wages.

The N'gang'a children also have escaped two other major social developments in Africa that have worsened the nutritional status of millions of children in the past two decades.

One is the shrinking size of farms due to rapid population growth. In many parts of Africa, especially Kenya, which has a population growth rate of 4.1 percent a year, farms are shrinking with the inheritance of each new generation.

The average family in Africa has nearly seven children. In Kenya, the average is eight. In western Kenya, households with 10 to 14 children are common. In some areas, farmers, mostly women, are trying to feed their children on farms that average three-fifths of an acre (about a quarter of a hectare).

Kenya also has been more successful than most countries in Africa in lowering its infant mortality rate, which at 80 deaths per 1,000 live births is still about seven times higher than the United States. Reasons for Kenya's success include widespread child immunization and strong economic growth throughout much of the past 25 years. In the western part of the country, however, child health is backsliding. Children there appear to be paying a high price for their swelling numbers.

Between 1977 and 1982, the percentage of stunted children in a densely populated district near Lake Victoria nearly doubled, from 20 to 38 percent.

The rapid growth of cities also has caused the quality of the food many children eat to deteriorate. The United Nations Center for Human Settlements reported this year that while Africa is the world's least urbanized region, its cities are growing faster than anywhere else.

Many children in African cities have poorer quality diets and often have more health problems than those who remain in rural areas, according to Dr. Arnfried Kielmann, the Nairobi-based nutritionist and physician.

Putting aside the estimated 3 percent of African children who are victims of severe food shortage due to drought or war, Mr. Alnwick concludes: "The nutrition situation for most of Africa's children is bad, and there are lots of reasons to believe it is worse now than ever."

None of this means that Wanja and her siblings are hopelessly disadvantaged. Nutritional research has found that only the most severely malnourished children under two years of age suffer irreversible brain or organ damage. Researchers across the Third World also agree that growing up stunted does not in itself damage intellectual potential.

Dr. Ernesto Pollitt, a nutrition and child development specialist at the University of Texas, said researchers have been surprised by the capacity of children to bounce back after years of hunger.

But Dr. Pollitt and other nutritional scientists who have worked in Africa agree that the hunger of children such as Wanja N'gang'a steals the energy they need to concentrate, to play, to learn.

When they reach the age of 6, the children of Josphat and Madris N'gang'a go to school after a breakfast of tea and milk. They do not eat anything solid until 2:30 P.M. They are quiet, passive students.

At school, according to their teacher, Mr. Nyaga, "there is something wrong inside the hungry ones. They are not happy. They are not champions."

Tomorrow: In Zimbabwe, hunger and illness amid bumper harvests.

Diana Walker/The Washington Post

'Children are always the ones who suffer most. They are the first to die, the first to be neglected, the first to recover if things improve.'

— Dr. Arnfried A. Kielmann, a specialist in child nutrition

STEALTH: *Jet Crashes in U.S.*

(Continued from Page 1)

the Advanced Technology Bomber, in the early 1990s.

The air force said Friday that the crash in California did not involve a bomber.

News reports and other sources have said the air force has based dozens of the planes at a secret air base in the Nevada desert.

Most tests of the Stealth fighter are thought to take place at the Groom Lake and Tonopah test ranges, near Nellis Air Force Base in Nevada.

In 1984, the air force closed off thousands of acres of land in the Groom Mountains of Nevada, citing national security reasons.

The plane that crashed Friday probably was being tested, not merely moved from one place to another, sources said.

The tests are done at night so that the plane is not seen. In daytime it is parked under protective bunkers. When it is moved from one location to another, it is carried, with its wings folded, in a C-5 military transport plane.

The first prototypes of the Stealth fighter reportedly were built in the mid-1970s, and the plane first flew in 1977, according to a book about Stealth aircraft by Bill Sweetman, a San Francisco writer, published this year.

The plane's shape is believed to resemble that of the space shuttle, with the fuselage gradually blending into wings. Avoiding sharp angles is one way to reduce the image of a plane on radar screens.

The plane also reportedly is built largely of carbon and epoxy composite materials that absorb radar.

Estimates of the plane's length vary from 35 feet to 60 feet. Some industry experts have said several versions of the fighter may exist.

Mr. Sweetman's book suggests that an early version of the Stealth fighter broke apart in 1979, injuring the pilot, while another crashed in April 1982.

The secrecy surrounding the crash Friday was reminiscent of an incident in Nevada in May 1984, when an air force general died in the crash of what the Pentagon said was "an air force specially modified test craft."

There was speculation at the time that the crash involved a Stealth aircraft. But Pentagon sources later indicated that the general died in an advanced Soviet MiG fighter being tested at Nellis.

■ Pilot Is Identified

The air force identified the pilot Saturday as Major Ross E. Mulhare, 35, a native of Fall River, Massachusetts, who was stationed at Nellis, The Associated Press reported from Bakersfield.

The pilot's father, Edward A. Mulhare of River Edge, New Jersey, said that his son trained other air force pilots "by playing the devil's advocate in the air, by flying like the Soviet pilots fly."

NIXON: *A Visit to Moscow*

(Continued from Page 1)

munist Party's Central Committee. The two met often in Washington.

Mr. Taylor said Mr. Nixon had requested no other meetings.

Mr. Nixon's associations with the Soviet Union go back to the "kitchen debate" in 1959, when he and Nikita S. Khrushchev argued heatedly amidst home appliances at an American exhibition in Moscow.

Mr. Nixon, then vice president, was known for his staunch anti-communism. His conservative stance later gave him the political capital as president to help open the period of détente with the Soviet Union in early 1972, a period frequently hailed in the official press here as the shining moment in U.S.-Soviet relations.

In 1972, Mr. Nixon was the first, and only, U.S. president to pay an official visit to Moscow. During that visit, he signed the first Strategic Arms Limitation Treaty and the Anti-Ballistic Missile treaty.

Soviet officials often speculate that it was Mr. Nixon's espousal of détente that brought about his downfall, not the Watergate scandal. Now the ABM treaty is again an issue in East-West relations, a key point in the debate over the development of Mr. Reagan's Strategic Defense Initiative.

A summit meeting between Mr. Gorbachev and Mr. Reagan has been expected this year, according to the schedule adopted at their first meeting in Geneva last November. But Mr. Gorbachev has insisted that the next meeting should produce an accord on arms control, and not just be a publicity event. He repeated this view last week in meetings with President François Mitterrand of France.

In Washington, sources said Mr. Nixon's visit was arranged hurriedly in the past week and he had hoped to keep it secret.

Mr. Nixon carried no message from the Reagan administration to the Russians but the Russians may hope to use him as a messenger back to Mr. Reagan, they added.

AP

Robert B. Oakley

TERROR: *New Wave Seen*

(Continued from Page 1)

air missiles to hit commercial airliners.

"These groups have access to this weapon," it says. "Any group which is willing to blow up an airliner in midair, bomb a disco packed with over 400 people, or throw fragmentation hand grenades at airline passengers in an airport check-in line, would have no moral problem firing a missile at a commercial airliner."

The intelligence report, which included information through June 1986, said that from 1980 to 1984, "we attributed 158 terrorist incidents in Western Europe to Middle Eastern groups."

A major reason for focusing on West European targets, the report said, is "to force West European governments to release imprisoned Middle Eastern terrorists."

■ Spain Frees 2 in 1984 Attack

Spain freed early Sunday two Lebanese Shiite Moslems who had been sentenced to 23 years for the attempted murder in 1984 of a Libyan official in Spain, Reuters reported from Madrid.

Mohammed Kahir Abas Rahal, 22, and Mustafa Ali Khalil, 24, were freed shortly after midnight and taken to the airport. Officials said they probably would be sent to Beirut.

VIETNAM: *Changes Expected*

(Continued from Page 1)

mittee would be replaced because of infirmity, old age or inefficiency.

Mr. Tho said that changes in the political bureau, which has varied from 14 to 17 members in recent years, would then be decided. He added that if Vietnamese society was to be transformed it was necessary for party members to enhance their knowledge and ability in economic management.

Analysts have noted that since the end of the Vietnam War in 1975, the party has failed to deliver on promises of major improvements in living standards for the country's estimated population of 60 million.

They said that economic policy, and the related issue of party organization and control, has become a source of strong contention within the leadership and will be the main issue to be decided at the congress.

Analysts have said there are two contending camps, although they stress that distinctions between the two are not always clearly defined and are unlikely to lead to an open split in a party that has shown a ability to maintain unity in adversity, especially in the face of perceived threats to national security.

On one side are pragmatists who favor decentralization, the abolition of state subsidies and the use of material incentives to stimulate production, efficiency and exports.

On the other are ideologues who want to preserve official control of economic activities and who argue that the reforms of the pragmatists are weakening commitment to Vietnamese-style socialism.

Because of the contention between these two groups, economic policy in Vietnam has been marked in recent years by surges of pragmatism interspersed with the reimposition of controls.

Diplomats said that the results of this approach have been disastrous. The Vietnam News Agency, in several candid despatches last month, conceded that labor productivity in Vietnam was five to 10 times lower than that in developed nations.

It noted that Vietnam was barely self-sufficient in basic food crops, that its rate of population growth was "alarming" and that the country had to import 80 percent of its raw materials.

Hanoi-based diplomats also report chronic shortages of power, spare parts, foreign exchange and consumer goods. This has drastically slowed industrial output and contributed to rampant inflation.

ATOMS: *Breakthrough Reported*

(Continued from Page 1)

rists at the Institute for Spectroscopy in Moscow.

The optical trapping of atoms relies on a fact of nature that is hard to observe in the world of things people can normally see: Light exerts pressure on objects it strikes. Ordinarily this radiation pressure is negligible compared to gravity or air pressure, but in the vacuum of deep space radiation pressure becomes an important means of moving matter around.

Within gravity fields such as Earth's, radiation pressure becomes relatively more important with small objects. This is because their surfaces are larger relative to their mass.

The researchers at Bell Laboratories, in Holmdel, New Jersey, captured about 500 atoms of sodium metal from a pellet that had been vaporized in a stainless steel vacuum chamber sprouting arms for video cameras and measuring instruments.

Six laser beams, shining from front and back, left and right, above and below, flood a cubic centimeter of space with radiation pressure that creates the optical molasses. That brings the atoms to a slow, random crawl.

A seventh needle-thin beam, tuned to a different frequency, exerts a different kind of light force. Instead of pushing on the atoms, the beam sets up an attraction based on the atoms' interaction with its energy field. In effect, it creates a tiny well into which the atoms fall.

INTERNATIONAL CLASSIFIED

(Continued from Back Page)

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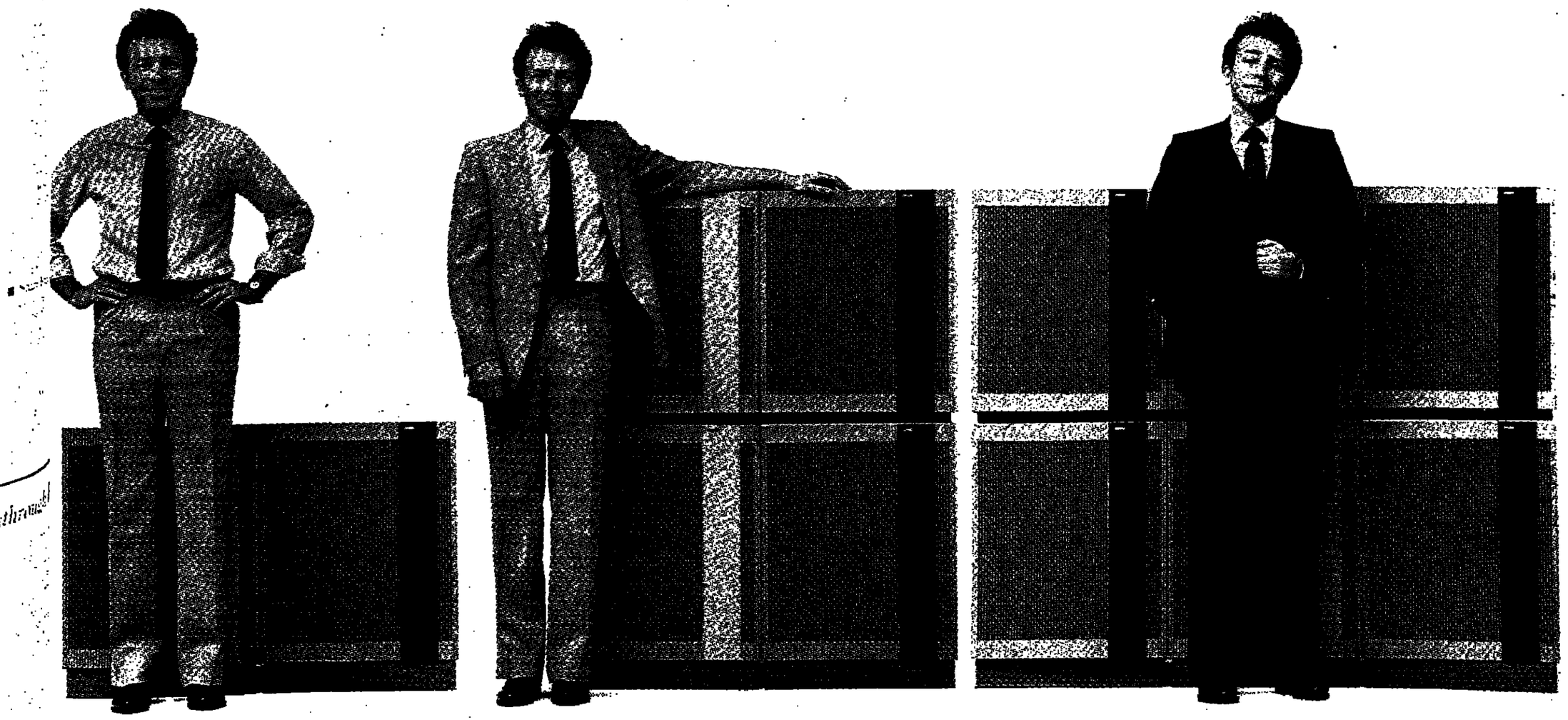

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Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01-623-1277.
Prices may vary according to market conditions and other factors.

RECENT ISSUES

July 10

Amt	Security	%	Mat	Str/ Conv	Issue Price	Mid Price	Yield
ecu 75	Eec Europ Econom Com	7¾	'94 Jul	s	100	99¾	7.48
dm 100	Mc Dermott	6½	'91 Jul	s	99¾	97⅞	7.02
$ 150	Liberty Mutual Cap Co	8½	'96 Jul	s	101	101	8.35
dm 500	World Bank	6	'96 Jul	s	99¼	98¾	6.17
dm 60	Lindt & Sprungli W/w	2	'93 Jul	s	100	104	1.40
$ 300	Denmark	8¼	'91 Jul	s	100¼	101	8.00
$ 200	Aetna Life & Casualty	7¾	'16 Jul	s	101	98	7.93
$ 200	Ford Motor Credit Co	8	'89 Jul	s	100⅛	100¼	7.85
$ 200	General Motors Accept	8	'94 Jul	s	100¼	98¼	8.31
ecu 55	Gillette Company	7½	'93 Jul	s	100¼	100¾	7.36
dm 250	Enel Ente Naz Energia	5⅞	'91 Jul	s	100	99¾	6.34
$ 150	Sweden	8⅛	'94 Jul	s	99½	101¼	7.91
dm 150	Council Of Europe	6⅛	'94 Jul	s	100	98½	6.37
dm 300	Eib Europ Invest Bank	6⅛	'96 Jul	s	99½	102	5.85
$ 150	Marks & Spencer Finan	8⅛	'96 Jul	s	100¼	100⅛	8.16
dm 150	Norsk Data W/w	3	'73 Jul	s	100	100½	2.92
dm 200	Banque Exter D'algeri	6⅝	'92 Jul	s	100	97¼	7.22
$ 200	General Motors Accept	8⅛	'93 Jun	s	101	102	8.11
$ 150	World Bank	8½	'16 Jun	s	100¼	97½	8.74
y 45000	Australia	5⅞	'91 Jun	s	101½	99	5.74
y 22000	General Motors Corp	5⅝	'91 Jun	s	101½	98	4.23
dm 100	Eurofima	6⅛	'96 Jun	s	100	100⅝	6.20
dm 100	Interhop O/s Fin W/w	2¾	'96 Jul	s	100	100	2.75
$ 150	Royal Bank Of Canada	8⅜	'93 Jun	s	100½	99⅝	8.44
$ 100	New Zealand	7¾	'90 Jun	s	100¾	99¼	7.97
$ 100	New Zealand	8	'93 Jun	s	99¾	98⅝	8.24
$ 100	Queensland	8	'91 Jun	s	100	99¾	8.15
dm 100	Bank Leu (lux) So W/w	2½	'96 Jun	s	100	100	2.50
dm 200	Portugal	6¾	'94 Jun	s	100¼	98	6.94
dm 125	Ind Mitge Bank Finland	6⅛	'92 Jun	s	100	100¼	6.22

STRAIGHT BONDS
All Currencies Except DM

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
	AUSTRALIA						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	AUSTRIA						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	BELGIUM						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	CANADA						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	DENMARK						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	FINLAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	FRANCE						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	GERMANY						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	ICELAND						
$ 20	Iceland	9	'87 Feb	100	8.84	8.84	9.02
$ 50	Iceland	12¾	'92 Dec	107½	11.02	10.37	11.86
	IRELAND						
$ 150	Ireland	9⅝	'96 Mar	103½	8.81		9.06
	ITALY						
$ 50	Cassa Di Credito	7½	'90 Jan	100	7.48	7.50	7.50
$ 50	Eni Ente Naz Idrocar	7	'88 Jan	98	8.41	8.83	7.14
	JAPAN						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	MEXICO						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	MISCELLANEOUS						
$ 75	Develop Bk Singapore	15½	'89 Aug	102⅛	14.40		15.12
	NETHERLANDS						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	NEW ZEALAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	NORWAY						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	SOUTH AFRICA						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	SPAIN						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	SUPRANATIONAL						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	SWEDEN						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	SWITZERLAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	UNITED KINGDOM						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	U.S.A.						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	FOREIGN TARGETED BONDS OF THE US TREASURY AND OF ITS AGENCIES						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

HIGHEST YIELDS
to Average Life Below 5 Years

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 15	Ward Foods O/s Capita	5⅝	'86 Nov	88	14.85	18.36	7.19
$ 125	Pemex Petroleos Mexic	11⅞	'88 Jul	92	14.55	17.39	12.50
$ 40	Mexico	8⅞	'87 Mar	95	14.68	16.44	8.95
$ 30	Mexico	8⅝	'91 Dec	83	13.30	14.41	10.54
$ 50	Uer O/s Finance	13⅛	'88 Oct	101	12.88	12.82	13.37
$ 65	Eec Europ Econom Com	14⅛	'90 Apr	105½	13.20	12.45	13.85
$ 25	South Africa	7¾	'87 Dec	95	11.65	11.89	8.16
$ 75	Sncf Nat Chemins Fer	13	'91 Feb	104¼	11.60	11.33	12.43
$ 75	Forsmarks Kraftgrupp	13¾	'92 Oct	108	11.33	11.84	12.73
cs$ 25	Ise Canadian Finance	10	'86 Aug	99	22.71	27.46	10.10
£ 30	Sdr Develop Regional	15½	'92 Apr	105½	12.99	12.23	14.69
£ 12	Rothschild Inv Holdin	14½	'90 Aug	104½	12.99	12.59	13.88
nkr 100	Norges Hypotekforenin	10⅛	'88 Apr	98¾	11.58	11.56	10.49
£ 15	Eib Europ Invest Bank	12	'91 Jul	101½	11.59	11.51	11.82

HIGHEST YIELDS
to Average Life Above 5 Years

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 50	Dome Petroleum	10	'94 Jul	88½	12.34	12.92	11.30
$ 50	Ingersoll-Rand Intl	13¼	'95 Oct	107	11.92	11.58	12.38
$ 75	Caisse Nat Autoroutes	15⅞	'97 Mar	119¼	12.42	11.26	13.27
$ 100	Alaska Housing Fin Co	11¾	'94 Feb	104	10.92	10.90	11.30
$ 75	Intl Standard Electri	12	'96 Mar	106½	10.86	10.49	11.27
$ 40	Ottawa-Carleton	14¾	'97 Jun	121	11.30	9.88	12.19
$ 125	Michelin	10	'94 Aug	102	9.81	9.77	9.90
$ 50	Macmillan Bloedel	9¼	'93 Mar	98½	9.54	9.58	9.39
$ 100	Equitable-Lord Realty	10½	'97 Dec	107¾	9.35	9.34	9.74
cs$ 50	Canadian Utilities	17	'96 Dec	120	13.30	12.54	14.17
cs$ 40	Royal Bank Of Canada	10	'94 May	100	9.94	9.98	10.00
£ 30	Indust Bank Japan Fin	11¼	'95 Dec	109¾	9.95	7.34	10.58
ecu 60	Industrial Bk Finland	9	'95 Oct	104½	8.27	8.14	8.61
ecu 40	Sanwa Intl Finance Hk	9	'95 Aug	105½	8.12	8.05	8.53

HIGHEST CURRENT YIELDS

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 175	Mexico	18½	'97 Jul	101	18.27		18.32
$ 75	Pemex Petroleos Mexic	17½	'86 Nov	99	19.86		17.68
$ 60	Gulf States O/s Finan	17½	'88 Oct	101½	16.51		17.24
$ 75	Transcanada Pipelines	17¾	'88 Oct	103½	15.44		17.15
$ 75	Ohio Edison Finance	17½	'88 Oct	103⅝	15.42		16.91
$ 75	Genstar	17½	'89 Oct	104	15.74		16.83
$ 50	Winnipeg City	17	'86 Oct	102½	4.80		16.59
$ 100	Tenneco Intl	17	'89 Oct	102¾	15.74		16.55
$ 50	Niagara Mohawk Financ	17	'89 Sep	103½	15.45		16.43
cs$ 40	Hudsons Bay	18	'87 Nov	101	16.81		17.82
cs$ 50	Quebec Province	18	'87 Oct	102¾	15.22		17.52
cs$ 50	Nacional Financiera	17¾	'87 Mar	101½	14.97		17.48
cs$ 40	Canadian Pacific	17¾	'87 Nov	102	15.23		17.40
cs$ 100	Feder Business Dev Bk	17¾	'86 Oct	102	10.20		17.40

DM STRAIGHT BONDS

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
	AUSTRALIA						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	AUSTRIA						
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	BELGIUM						
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	CANADA						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	CHINA						
dm 150	Bank Of China	7	'92 Jun	102¾	6.42		6.81
	DENMARK						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	FINLAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	FRANCE						
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	GERMANY						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	HUNGARY						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	ICELAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	INDIA						
dm 100	Indust Dev Bank India	7	'93 Feb	101¾	6.68		
	IRELAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	ITALY						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	JAPAN						
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	LUXEMBOURG						
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	MEXICO						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	MISCELLANEOUS						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	NETHERLANDS						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	NEW ZEALAND						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	NORWAY						
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(Continued on next left-hand page)

ZERO-COUPON BONDS

July 10

Security	Final Maturity	Original Offering Amt	Original Offering Year	Original Offering Price	Offered Price
American Intl Group	15 Aug 2004	$ 750	1984	12	20⅝
Asian Develop Bank	31 Aug 2004	$ 1000	1984	10½	18
Atlantic Richfield Co	4 Feb 1992	$ 500	1982	25⅝	62¾
Baker Intl Finance	25 Feb 1992	$ 225	1982	24.70	59
Beatrice Foods O/s	9 Feb 1992	$ 250	1982	25½	57
Belgium	29 Apr 1996	dm 200	1986	52.40	59¾
Campbell Soup O/s Fin	21 Apr 1992	$ 200	1982	27	63½
Caterpillar Fin Serv	11 Aug 1992	$ 300	1982	24	60
Caterpillar Fin Serv	11 Feb 1994	$ 140	1982	17.94	52¾
Centrust Savings Bank	15 Feb 2010	$ 1200	1985	5.995	12
Commerzbank	22 May 1995	dm 300	1985	50	59
Commerzbank	4 Aug 2000	dm 200	1985	33½	41½
Connecticut Mut Life	11 Sep 2000	$ 115	1985	18.30	29
Du Pont Overseas Cap	11 Feb 1990	$ 300	1982	33.90	75¾
Eksportfinans	3 Oct 1994	$ 340	1984	32¾	51⅛
Electricite France	11 Sep 1994	$ 500	1984	32¼	52¼
Exxon Capital	15 Nov 2004	$ 1800	1984	11.65	20
Florida Feder Savings	15 Jul 1995	$ 140	1985	34.15	45
Gaz De France	23 Feb 1992	$ 150	1982	25.82	65
Gaz De France	1 Mar 1994	$ 150	1982	19.85	55
General Electric Cred	17 Feb 1992	$ 400	1982	26.88	64⅞
General Electric Cred	17 Feb 1993	$ 400	1982	22.80	59¾
General Electric Cred	4 Mar 1994	$ 200	1982	19¼	54
General Electric Cred	4 Mar 1995	$ 500	1982	17¼	49½
General Electric Cred	10 Jul 1996	$ 400	1984	25.85	44½
General Mills Inc	15 Aug 2004	$ 250	1984	11.85	20¾
General Mills Inc	15 Aug 2013	$ 1000	1984	4.60	7⅛
Gmac O/s Finance	15 Feb 1990	$ 150	1982	34	75¾
Gmac O/s Finance	3 Feb 1992	$ 250	1982	25¾	64¼
Gmac O/s Finance	1 Oct 1992	$ 400	1982	25¾	61
Gulf Oil Finance	2 Mar 1992	$ 300	1982	25.82	62
Hewlett-Packard Fin	2 Jan 1991	$ 150	1985	64¾	70
Italy	9 May 1996	ecu 400	1986	52	49¾
Nordic Investment Bk	11 Sep 1994	$ 150	1984	31¾	52
Penney Jc Global Fin	17 Feb 1994	$ 250	1982	18⅝	52
Pepsico Capital	4 Feb 1992	$ 100	1982	28	64⅝
Pepsico Capital	2 Mar 1994	$ 125	1982	20¾	54
Philip Morris Credit	8 Jun 1994	$ 200	1982	22¾	53½
Prudential Realty Sec	15 Jan 1999	$ 365	1984	20.85	35
Reynolds Rj O/s	19 Feb 1992	$ 400	1982	25½	63
Sears Overseas	18 Feb 1992	$ 400	1982	24.72	64
Sears Overseas	27 May 1994	$ 400	1982	23½	52
Sears Overseas	12 Jul 1996	$ 500	1984	20½	36
Siemens Western W/w	20 Jun 2001	$ 533	1986	58.90	57
Siemens Western X/w	20 Jun 2001	$ 533	1986		20¾
Swedish Export Credit	10 Mar 1994	$ 200	1982	19.70	54¼
Swedish Export Credit	11 Sep 1994	$ 250	1984	22.925	52¾
Swiss Bank Corp	14 Nov 1997	$ 400	1986	23	39½
Wells Fargo Intl Fin	4 Feb 1988	$ 125	1985	44½	84
World Bank	28 Dec 2015	1000	1985	13	10¾
Xerox Credit O/s Fin	11 Feb 1992	$ 250	1982	25½	63

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Marketmakers in Deutschmark Bonds WestLB
Westdeutsche Landesbank

هكذا من الأصل

Herald Tribune
BUSINESS/FINANCE
...DAY, JULY 14, 1986

EUROBONDS

...scount-Rate Cut Leaves ...eaker Prices, No Profits

By CARL GEWIRTZ
International Herald Tribune

PARIS — The expected cut in the U.S. discount rate came and went last week, leaving scarcely a trace. Bond prices weakened as some investors rushed to try to take some profits, but there were none to be had as the half-point ...ut was already factored into prices. The selling was not ...atic, and most professional traders consoled themselves ...he view that at least another half-point cut can be expected ...w of the lackluster performance of the U.S. economy.

...e big question is what the Japanese do. If interest rates there ...t cut, it is feared that yields on dollar bonds will be too near ...se on yen bonds to at... Japanese investors into ...llar market.

...icial comments from ... ruled out any immedi... ...t in rates there. But ...na Amano of Yamaichi ...ties predicted that "the ...of Japan will be forced ...ince rates by half a ...within three weeks be... of very sluggish eco... conditions." With ...ale prices 10 percent ...the level of a year ago ...nsumer prices barely 1 ...t up on the year, he ... a telephone interview ...Tokyo, Japan has no ... to fear that a further ... of credit conditions ...ad to a resurgence of ...on.

Eurobond Yields For Week Ended July 9	
U.S.$ lg term, int'l inst.	8.42 %
U.S.$ long term, ind.	9.05 %
U.S.$ medium term, ind.	8.90 %
Can.$ medium term	9.74 %
Aus.$ medium term	13.29 %
French Fr. short term	8.11 %
Sterling medium term	9.61 %
Yen medium term, int'l inst.	5.88 %
Yen lg term, int'l inst.	6.24 %
NZ$ short term	15.73 %
ECU short term	7.40 %
ECU medium term	7.94 %
ECU long term	7.99 %

Calculated by the Luxembourg Stock Exchange.

Market Turnover
For Week Ended July 11
(Millions of U.S. Dollars)

	Total	Dollar	Non-dollar Equivalent
Cedel	19,859.00	13,415.60	6,444.20
Euroclear	40,587.60	33,124.60	7,463.00

...U.S. strategy of unilaterally reducing rates in the face of ...ransigence of West Germany or Japan to take the lead ...s designed to precipitate a further decline in the dollar's ...nd thereby provoke a response from its allies who do not ...o see their currencies driven up against the dollar.

...vever, the immediate market reaction to Washington's cut ...d in an appreciation of the dollar against the yen and the ...he mark, a perverse response that analysts said was only ...rary. They said that speculators had sold dollars in antici... of the cut and unwound these positions when the news was ...nced.

...t unwinding created a demand for the currency that will be ...ived. Most analysts expect the dollar to resume its decline ...ek and ultimately test a new low of around 150 to the yen ... the Bank of Japan responds with its own rate cut.

MEANWHILE, in the Eurobond market, investors were unwilling to cope with the uncertainty about the direc-tion of interest and currency rates and opted for an early ...n instead. Investor demand in the nondollar sectors was at ...dstill and the few issues launched languished. The borrow...ing to market were generally highly regarded — Euratom ...opean currency units, Morgan Guaranty in yen, Halifax ...ng Society in sterling — and the terms offered were deemed ...t the investors were just not there.

...was equally true for fixed-coupon Eurodollar bonds, ...all the issues launched ended the week trading at discounts ...han the fees paid to underwriters. The only exception was ...ve-year issue for Crédit d'Equipement de Petites et ...nes Entreprises, which traded just at the fees paid to ...writers and widely assumed to be a price supported by lead ...er Morgan Guaranty.

...cs said the terms on the $100-million issue, a coupon of 7⅜ ...t offered at 101¼, were an unattractive 30 basis points over ...ld on U.S. Treasury paper, but Morgan said the paucity of ...ar noncallable sovereign paper made the issue appealing to ... bank investors.

...ected soon is a five-year offering from Norway, which is ...ed to amount to about $500 million.

...the only sector that showed any life last week, as it has in ...eeks, was equity-linked issues.

...kswagen, which had previously announced its intention to ...e market, last week launched $150 million of 15-year bonds ...ng warrants to buy VW shares. Each $1,000 bond will carry ...arrants entitling the bearer to acquire a total of eight shares ...rice of 490 Deutsche marks each, a mere 1.24 percent ...um over the current price quoted on the Frankfurt Stock ...nge. The option can be exercised anytime from next Sep...r until Aug. 1, 2001.

... bonds, offered at par, were immediately quoted at a

See BONDS, Page 11

Unrest Clouds Haiti's Industrial Future

But Prospects Appeal to Some U.S. Contractors

By Joseph Treaster
New York Times Service

PORT-AU-PRINCE, Haiti — It was early afternoon and the rows of sewing machines in the barnlike lingerie factory were silent.

There had been another political protest in the city center and the machine operators had gone home.

Rémy Mendoza, the 35-year-old manager of the U.S.-owned plant, was alone in her office.

"We're on the verge of deciding whether to continue this operation," she said. "You just don't know what's going to happen. Today it may be very normal, tomorrow there is no transportation."

The future of Haiti's important light assembly industry has been uncertain since the collapse of the dictatorship of President Jean-Claude Duvalier in early February. Protest marches, strikes of transportation workers and government employees, and attempts at organizing labor unions have disrupted factory work schedules and interrupted the flow of deliveries of raw materials and finished goods.

At least three factories have closed. Production at the others, which make such things as clothing, sporting goods and electronic equipment for export to the United States and which have been the impoverished country's

Roy Fok/The New York Times

A busy market in Port-au-Prince. About half the country's work force is unemployed.

leading source of income, has fallen 20 percent, according to the Haitian Association of Industries. Twelve thousand of the 50,000 workers have lost their jobs, according to association and government officials.

Of the 230 U.S. companies that had been contracting work in Haiti, about 40 had withdrawn by mid-June, according to the U.S. Embassy here.

"We've seen a steady erosion of contracts and employment over the last six months," said Aubrey J. Hooks, the chief of the embassy's economic section. "We see no indication of a halt or that it's reached its bottom point. We see nothing accelerating, but a steady erosion which continues."

Many American plant managers and owners must now decide whether to ride out the storm.

The United States is trying to persuade them to stay. On June 13, about 100 chief executives of U.S. companies doing business with Haiti's light assembly industry were invited to the White House for a morning of briefings and explanations of the strategic importance of Haiti, which lies just across the narrow Windward Passage from Cuba. Secretary of State George P. Shultz and Secretary of Commerce Malcolm Baldrige were among the speakers.

Frederic H. Brooks, the chairman of MacGregor Sporting Goods, which employs 1,000 people here, said in a telephone interview that as one of the main speakers at the White House meeting he had told the execu-

See HAITI, Page 11

3 Tycoons Save Standard From Lloyds Takeover

By Bob Hagerty
International Herald Tribune

LONDON — A last-minute burst of share purchases by three foreign tycoons has rescued Standard Chartered PLC from Lloyds Bank PLC's £1.3-billion ($2-billion) takeover bid.

But some analysts said the result, announced Saturday, leaves the future of Standard's international banking network heavily dependent on the wishes of the three big investors, particularly Sir Yue-Kong Pao, a Hong Kong shipping and property businessman.

"It's going to be very amusing to see if they prefer their new masters to Lloyds," said John Tyce, the chief banking analyst at Alexanders Laing & Cruickshank. He predicted the three new shareholders would want "special favors" and "bits of the empire handed to them."

Standard's managing director, Michael McWilliam, rejected suggestions that the company had lost its independence to the three "white knights." He insisted that their presence as major shareholders would be "a very stimulative influence."

Lloyds, Britain's fourth-largest bank, said Saturday that its three-month-old bid had lapsed after attracting only 44.4 percent of Standard's shares, well short of the required 50 percent.

Until late last week, investment analysts in London were nearly unanimous in predicting a victory for Lloyds, which would have created Britain's biggest bank in terms of assets. In the final week of the bid, however, foreign investors who opposed it swept into the market to buy an estimated 35 to 40 percent of Standard's shares.

The biggest of those investors are Sir Yue-Kong, who acquired about 15 percent; Robert Holmes à Court, an Australian financier and takeover artist, with 7.4 percent, and Tan Sri Khoo Teck Puat, a Singapore-based hotel and banking tycoon, with 5 percent.

Sir Yue-Kong alone spent an estimated £190 million on Standard shares. At least in the short term, he and the others face the likelihood of a huge loss in the value of their holdings: Some analysts predicted that Standard shares would plunge at least 10 percent to reflect the disappearance of the Lloyds bid.

Although the interest of foreign investors in the struggle had been rumored for weeks, Standard's rescuers did not make their intentions clear until the final days of the bid.

Lloyds officials, alarmed at the heavy buying of Standard shares, tried Friday and Saturday to arrange peace talks with the three big investors, but all three snubbed the approach, according to sources familiar with the bid.

Standard officials conceded Saturday that they would be under pressure from their new shareholders to improve earnings. Mr. McWilliam said it was unclear what they expected, other than "enhanced value" for their investment.

"It's been hectic, and we really haven't had a chance to talk it through," Mr. McWilliam said. But he added, "I'm sure lots of specifics will emerge."

David Horne, managing director of Lloyds Merchant Bank, which handled the Lloyds bid, speculated that Sir Yue-Kong wants control of Standard's big banking operations in Hong Kong and Singapore. Sir Yue-Kong is a former deputy chairman of Hongkong & Shanghai Banking Corp., Standard's biggest rival in Hong Kong.

He already has shown a taste for buying control of companies that, like Standard, grew up to serve British colonial interests.

Also unclear were the motives of Mr. Holmes à Court. But analysts noted that he had received a credit line of about 2 billion Australian dollars ($1.3 billion) from Standard to finance the long-running bid by his Bell Group Ltd. to take over Broken Hill Pty., the Australian energy and metals giant.

A source at Lloyds said that bank might not have been willing to extend such a large credit to one customer.

Mr. McWilliam reaffirmed that the company would explore ways to exploit the value of some of its more prized local banks, such as those in California, Hong Kong, Singapore and Malaysia.

Top 4 U.S. Oil Firms Slash Posted Crude Prices

By Lee A. Daniels
New York Times Service

NEW YORK — The nation's four largest oil companies have sharply cut the price they pay suppliers for the major U.S. grade of crude oil. The reductions were as much as $1 a barrel.

The actions Friday by Exxon Corp., Mobil Corp, Texaco Inc., and Chevron Corp. followed cuts earlier last week by smaller companies and sent prices down to between $12.75 and $13 a barrel.

In July 1985, posted prices were in the range of $26 to $28. Several of the smaller companies, which usually have lower posted prices than their bigger rivals, set prices at $12.25 a barrel.

The latest reductions seem to undercut the hopes that some industry executives and analysts had expressed earlier that prices would rebound to $18 or more later this year. Oil prices near the $20-a-barrel level would allow most companies to continue much of their exploration and production work.

After prices collapsed early this year, many executives and analysts foresaw stronger economic growth leading to increased demand. Now, with growth waning and the oversupply of oil increasing, the mood has darkened again, and most people anticipate prices sinking to $10 a barrel before September.

"The market's being forced to digest the long-term fundamentals," said Steve H. Hanke, the chief economist for Friedberg Commodity Management Inc. of Toronto. Prices will have to remain at $10 or below through the summer, he said, to force the Organization of Petroleum Exporting Countries to limit production.

The surplus of crude oil and gasoline has forced oil prices on the New York Mercantile Exchange, the futures market, down more than $1.50 in less than two weeks. The latest drop has come since OPEC ended its latest meeting on June 30 without an agreement on production.

Marathon Oil Co., Champlin Petroleum Co. and Coastal Corp. were among the oil companies that reduced posted prices last week, as did larger companies such as Amoco Corp., Atlantic Richfield Co., Shell Oil Co., and Standard Oil Co.

The cuts followed the steady fall of the near-month futures contract for West Texas Intermediate, the benchmark American crude oil. Oil companies use futures prices in setting prices for real trades between oil producers and refiners.

Rolls-Royce Seeks Credit To Back BA Engine Bid

By Carl Gewirtz
International Herald Tribune

PARIS — A group of 18 international banks was solicited last week to provide a $2.1-billion credit to Rolls-Royce as backing for its bid to win a contract from British Airways to supply the engines on 16 Boeing jumbo jets the airline intends to buy.

The financing, about which few details have been released, is com-

INTERNATIONAL CREDIT

plicated and long. It will extend for 15 years from the time of delivery and will essentially be a leasing agreement.

Because the contract to supply the engines is open to competitive bids that are due to be submitted July 18, neither Rolls-Royce, its adviser, Goldman Sachs, nor banks in the syndicate were willing to discuss the fine points of the agreement. BA's decision on whether to use engines made by Rolls-Royce, Pratt & Whitney or General Electric is not expected before the autumn.

Under the facility being arranged by Rolls-Royce, lenders in effect will own the aircraft and lease them to BA, meaning that the banks bear both a credit risk on BA and a market risk on the price of the aircraft. The structure is aimed at circumventing a big increase in the direct debt of either of the British government-owned companies since both are on the list of holdings to be sold to the public.

For agreeing to provide the credit, the 18 banks are being paid a commitment fee, described by one participant as slightly more than ⅛ percent. This fee rises once the line is drawn. The cost of the borrowing depends on which of the range of options is used — direct drawing on a revolving credit or as back-up for the sale of commercial paper or other longer-dated securities.

Another complicated transaction is a $200-million note purchase facility being arranged by Hyundai Construction Co. of South Korea. The money is to be used to provide working capital for a construction project in Iraq.

As Iraq is in the process of selectively renegotiating large portions of its existing debt, one Mideast banker reported, "it couldn't borrow beans on its own name." Thus, the three-year notes issued by the Iraqi Ministry of Housing and Construction to Hyundai carries the guarantee of both the central bank of Iraq and Hyundai.

The notes will bear interest of ⅜ point over the London interbank offered rate with Iraq paying the Libor cost and Hyundai the ⅜-point margin. In addition, banks are offered a commitment fee of ⅛ percent and front-end fees of up to ¼ percent.

In Mexico, Banco Internacional is following the example set by Multibanco Comermex in transforming a part of its rescheduled debt into floating rate notes. Interest on the five-year notes at ¾ point over Libor is less than it is paying on its rescheduled debt. But banks accepting this cut in interest income get paper that is marketable (at least in principle) and has a fixed maturity. To date, securities issued by Mexican borrowers have not been rescheduled.

Thus, holders of the FRNs can expect to be repaid in five years while holders of bank loans stand the risk of being forced to renew the credits when they fall due. Comermex transformed $135 million of its debt into FRNs and BI started out offering to transform $50 million, but this is certain to be increased to at least $75 million. Banks accepting the offer can also earn front-end fees of up to ⅜ percent.

While very little of the Comermex notes have traded hands, bankers report that the discount quoted on that paper is substantially less than what is quoted on rescheduled bank debt: roughly, something like 75 percent of face value for the FRNs versus 60 percent on the bank debt.

In the plain vanilla syndicated loan market, Great American First Savings, a California-based savings and loan, is seeking a $50-million line of credit for three years. Interest is set at 17½ basis points over Libor, and this rises to 22½ basis points if the entire amount is cumulatively used over 90 days or if half is used over 180 days.

The Bank of Greece loan, which started at $50 million, has been increased to $140 million.

In the commercial paper market, Cadbury-Schweppes has appointed Merrill Lynch, Swiss Bank Corp. and S.G. Warburg to sell up to $200 million. The company has a similarly sized program in the U.S. market, where it has about $175 million outstanding. The two programs will be run in parallel with its U.S. program.

Like GMAC, which after three weeks in the market has sold close to $500 million of paper, Cadbury-Schweppes is expected to concentrate the shortest maturities in the New York market and the longer-dated paper, 90 to 100 days in the Euromarket.

Denmark is soon expected to announce a Euro-CP program of $1 billion.

Last Week's Markets

All figures are as of close of trading Friday

...ck Indexes

...States	Last Wk.	Prev.Wk.	Ch'ge
...	1,821.43	1,900.87	—4.36 %
...	204.05	200.76	+1.64 %
...	751.38	777.75	—3.51 %
...	229.21	238.24	—3.94 %
...	242.22	251.79	—3.95 %
...	139.51	144.67	—3.70 %
...	1,624.00	1,649.00	—1.52 %
...	1,336.30	1,356.60	—1.49 %
...ong			
...0	1,828.31	1,828.31	+4.07 %
...5	17,670.80	17,597.80	+0.42 %
...ermany			
...zbk	1,884.40	1,867.40	+0.92 %

...es Cazel & Co. London.

Money Rates

United States	Last Wk.	Prev.Wk.
Discount rate	6	6½
Federal funds rate	6⅞	6 13/16
Prime rate	8	8½
Japan		
Discount	3½	3½
Call money	4 5/16	4 9/16
60-day interbank	4⅝	4⅝
West Germany		
Lombard	5.50	5.50
Overnight	4.35	4.60
1-month interbank	4.60	4.60
Britain		
Bank base rate	10	10
Call money	10¼	11
3-month interbank	10	9½

Dollar	Last Wk.	Prev.Wk.	Ch'ge
Bk Engl Index	111.30	113.60	—2.03 %
Gold			
London p.m. fix. $	348.10	343.80	+1.25 %

Currency Rates

...s Rates — *July 11*

	$	£	D.M.	F.F.	H.L.	Gldr.	B.F.	S.F.	Yen
...am	2.4585	3.724	112.64 *	35.095 *	0.164 *	—	5.475 *	137.56 *	182.77 y
...(a)	44.91	68.04	20.573	6.412	2.998 *	18.261	—	25.199	27.93 *
...rt	2.1824	3.306	—	31.16 *	N.A. x	88.79 *	4.857 *	122.46 *	N.A. *
...(b)	1.5045	—	3.2923	10.5213	2,254.50	3.6923	67.485	2.4715	242.65
...	1,497.75	2,268.50	686.41	213.88	—	689.23	33.365	840.90	9.319
...k(c)	—	0.6678 =	2.1945	7.04	1,507.80	2.472	45.185	1.7963	161.35
...	7.012	10.611	3.2115	—	4.6805 x	2.8595	15.618 *	3.9349	4.256 *
...	160.90	243.54	73.66	22.97	10.75 *	65.44	358.07 *	90.28	—
...	1.7768	2.6786	81.545 *	25.43 *	0.1187 *	72.39 *	3.9484 *	—	1.1085 *
...	0.9794	0.6471	2.1383	6.8659	1,467.69	2.4085	43.994	1.7454	157.641
...	1.18211	0.78063	2.57984	8.28896	1,770.30	2.9082	53.0884	2.1063	188.724

...in London and Zurich, fixings in other European centers. New York rates at 4 P.M. ...mercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one ...) Units of 100 (x) Units of 1,000 (y) Units of 10,000 N.Q.: not quoted; N.A.: not available. ...buy one pound: $U.S.1.4975

...r Dollar Values

...y per U.S.$		Currency per U.S.$		Currency per U.S.$		Currency per U.S.$	
...ustral.	0.9005	Fin. markka	5.0702	Mex. peso	624.00	Soviet ruble	0.695
...s	1.5662	Greek drac.	138.70	Norw. krone	7.51	Span. peseta	138.40
...shil.	15.25	Hong Kong $	7.8125	Phil. peso	20.435	Swed. krona	7.1125
... fr.	45.05	Indian rupee	12.55	Port. escudo	149.50	Taiwan $	38.07
...ruz.	13.77	Indo. rupiah	1,131.00	Saudi riyal	3.753	Thai baht	26.195
...n $	1.3775	Irish £	0.7531	Sing. $	2.189	Turkish lira	672.10
...yuan	3.7036	Israeli shek.	1.482	S. Afr. rand	2.5543	UAE dirham	3.673
...krone	8.13	Kuwaiti dinar	0.291	S. Kor. won	891.80	Venez. boliv.	18.45
...pound	1.33	Malay. ring.	2.646				

...e: 1.0903 Irish £

...: Banque du Benelux (Brussels); Banca Commerciale Italiana (Milan); Banque Na...de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); ...(ruble). Other data from Reuters and AP.

...rkets Closed

...banks and markets in France will be closed Monday for the French ...al holiday.

KINGDOM OF SAUDI ARABIA
SAUDI ARABIAN NATIONAL GUARD

INVITATION FOR TENDERS

The Saudi Arabian National Guard invites qualified companies to submit tenders for a 3 year contract to Operate and Manage the King Khalid Hospital and Medical City, a 300-bed specialty teaching hospital complex currently in operation in Jeddah, Saudi Arabia.

The King Khalid Hospital conducts a program of post graduate medical education which has as its objective the preparation of Saudi physicians for Western and Arabic specialty credentials. This program requires that the Contractor for Operations and Management to conduct patient care and education at standards acceptable to the relevant authorities providing such credentials. It also requires that the Contractor, on behalf of the Hospital, develop and maintain affiliations with reputable teaching hospitals in Western countries.

Consequently, Companies to be considered for contract award will be required to demonstrate:

1. The Existance of an established capability in a Western country for developing and maintaining affiliations with reputable teaching hospitals.
2. Successful experience, during the four years immediately prior to the date of tendering, in the management and operation of one or more teaching hospitals of at least 200 beds, or of at least five acute-care hospitals, one of which must be of 200 beds or more.
3. Successful performance in the international recruitment of medical personnel.
4. The existence, at the time of tendering, of a professionally staffed central office capable of mobilizing for the project and of providing ongoing management and professional support.
5. Past experience of handling projects of 100 million or more and the availability of at least S.R. 25 million of working capital.

Preference will be given to companies with successful experience in the management of teaching hospitals.

Tenders will be considered from:

1. Saudi Companies.
2. Foreign Companies with Saudi Sponsors, and
3. Two or more Companies tendering jointly, provided that the Companies named demonstrate a commitment to form a Joint Venture Company to accept any contract award.

When evaluating tenders submitted by Joint Ventures, either existing or to be formed, consideration will be given to the qualifications of only those Companies that will bear the financial risk for a minimum of 25% of the project.

The National Guard will not review or evaluate any tender submitted by a Company that does not *meet all of the qualifications stated above.*

Request for Proposal documents may be obtained from

Tenders Department, Saudi Arabian National Guard,
Western Region, Jeddah Tel:671-1334/5 Tlx: 601241 on or after
23/7/1986 AD – 16/11/1406 H, for the amount of one hundred and fifty thousand Saudi Riyals (SR. 150,000). Tenders must be submitted by 27/9/1986 AD – 23/1/1407 H.

International Bond Prices

(Continued)

Amt	Security	%	Mat	Middle Price	Yield Mat	Ave Life	Curr
	PORTUGAL						
dm 150	Portugal	7¾	'92 May	102¾	7.26		7.58
dm 250	Portugal	7	'93 Sep	101¼	6.79		6.92
dm 200	Portugal	6⅜	'94 Jun	98	6.96		6.76
	SOUTH AFRICA						
dm 200	South Africa	8½	'91 Dec	98	8.96		8.67
dm 250	South Africa	7¾	'92 Dec	94¼	8.95		8.22
dm 100	Escom Electr Supply	6½	'87 Sep	97½	8.61	10.31	6.41
dm 100	Escom Electr Supply	9¼	'87 Nov	101	8.35		9.16
dm 100	Escom Electr Supply	7	'88 May	99½	7.28	7.37	7.04
dm 150	Escom Electr Supply	8½	'90 Apr	99	8.80		8.59
dm 100	Escom Electr Supply	9½	'90 Jun	101¾	8.94		9.34
dm 150	Escom Electr Supply	8	'92 Apr	95¾	8.97		8.36
dm 100	Escom Electr Supply	8¼	'92 Sep	95½	9.23		8.64
dm 200	Escom Electr Supply	8⅛	'93 Apr	95¾	9.21		8.46
dm 100	Iscor Iron Steel	7	'87 Apr	98	9.89	9.88	7.14
dm 100	Iscor Iron Steel	7	'88 Mar	99	7.63	7.92	7.07
dm 100	Iscor Iron Steel	9	'88 Mar	99	9.62		9.09
dm 100	Iscor Iron Steel	8½	'88 Nov	100	8.46	8.44	8.50
dm 80	Johannesburg City	8	'86 Sep	99½	11.29	11.36	8.04
dm 50	Johannesburg City	10	'86 Oct	100½	7.42		9.95
dm 100	Johannesburg City	6¼	'87 Sep	98	8.12	9.46	6.38
dm 100	Post Telecom Pretoria	7¾	'90 Jul	97	8.67		7.97
dm 100	Post Telecom Pretoria	9	'90 Oct	99	9.28		9.09
dm 150	Post Telecom Pretoria	8½	'91 Jun	96	9.42		8.72
dm 100	Post Telecom Pretoria	8	'93 Jul	94	9.20		8.51
dm 100	South Africa Railways	7½	'88 Jun	99¼	7.93	8.09	7.56
dm 100	South Africa Transnor	7¾	'92 Nov	92½	9.22		8.34
dm 150	South Africa Transnor	8	'93 Jun	93¼	9.39		8.59
	SOUTH AMERICA						
dm 150	Argentina	7½	'89 May	103	6.29	5.82	7.28
dm 150	Brazil	7¼	'87 Jan	100	7.11		7.25
dm 150	Brazil	8	'87 Aug	100¼	7.22		7.94
dm 150	Brazil	6¾	'87 Oct	100¼	6.50	6.39	6.73
dm 150	Brazil	9¼	'88 Jun	104¼	6.84		8.88
dm 250	Venezuela	6	'88 Mar	100	5.97	5.97	6.00
dm 150	Venezuela	6½	'90 Nov	99	6.76	6.89	6.57
dm 150	Venezuela	9¾	'90 Nov	104	8.58	8.02	9.38
dm 100	Bnde (Brazil)	8½	'87 Apr	105	1.52	1.54	8.10
dm 150	Comp Energ Sao Paulo	7	'87 Nov	100	6.96	6.97	7.00
dm 100	Eletrobras	7	'87 Feb	99¾	7.26		7.02
dm 150	Eletrobras	7	'87 Sep	100½	6.51	6.72	6.97
dm 125	Light-Services Brazil	8½	'90 Jan	102	7.80	7.39	8.33
dm 100	Petrobras	7	'88 Oct	100½	6.73	6.53	6.97
dm 125	Petrobras	8	'89 Oct	100½	7.80	7.64	7.96
	SPAIN						
dm 200	Spain	6	'88 May	101¼	5.24		5.93
dm 200	Spain	8¼	'92 Aug	109¼	6.36		7.55
dm 200	Spain	7¾	'95 May	108¾	6.39		7.05
dm 100	Autopistas	7½	'88 Feb	101	6.76	6.48	7.43
dm 100	Autopistas	8	'86 Oct	101¾	.29	.36	7.86
dm 100	Autopistas	6¾	'87 Oct	102½	4.59	3.20	6.59
dm 100	Europistas	8	'87 Jan	102½	2.61	2.64	7.80
dm 100	Fenosa	7¾	'92 Jan	104¾	6.93		7.56
dm 100	Renfe Red Nacional	8¼	'91 May	108	6.28		7.64
dm 100	Renfe Red Nacional	10	'92 May	115¾	6.75		8.48
dm 100	Renfe Red Nacional	7¾	'95 May	106	6.82		7.31
dm 100	Telefonica Nacional	8¼	'93 Jun	108	6.74		7.64
	SUPRANATIONAL						
dm 100	African Develop Bank	8	'87 Nov	102¼	6.12		7.82
dm 100	African Develop Bank	10	'89 Oct	109½	6.62		9.13
dm 100	African Develop Bank	8	'91 Apr	106	6.48		7.55
dm 100	African Develop Bank	6¼	'96 May	95¼	6.93		6.56
dm 100	Asian Develop Bank	5½	'88 May	100¾	5.04		5.46
dm 100	Asian Develop Bank	7¼	'89 Aug	104½	5.61		6.94
dm 100	Asian Develop Bank	10¾	'89 Oct	114	5.89		9.43
dm 200	Asian Develop Bank	10	'90 May	106	8.09		9.43
dm 100	Asian Develop Bank	8⅝	'90 Nov	105¾	6.78		7.92
dm 200	Asian Develop Bank	7⅜	'91 Mar	107¼	5.92		7.23
dm 100	Asian Develop Bank	10	'91 Apr	108½	7.76		9.22
dm 100	Asian Develop Bank Pp	7½	'91 Oct	103	6.79		7.28
dm 150	Asian Develop Bank	9¼	'92 Apr	112	6.66		8.26
dm 150	Asian Develop Bank	9¼	'92 Aug	112	6.78		8.26
dm 150	Asian Develop Bank	8⅛	'92 Nov	108¼	6.63		7.63
dm 100	Asian Develop Bank Pp	8¼	'93 Jan	107	6.93		7.71
dm 200	Asian Develop Bank	8½	'93 Nov	109½	6.80		7.76
dm 200	Asian Develop Bank	7¾	'94 Apr	106¼	6.69		7.26
dm 200	Asian Develop Bank	8	'94 Sep	107¾	6.73		7.42
dm 200	Asian Develop Bank	6½	'95 Oct	101½	6.28		6.40
dm 200	Asian Develop Bank	6¾	'96 Mar	108¾	6.21		6.23
dm 200	Asian Develop Bank	7¾	'97 Apr	106¼	6.90		7.29
dm 100	Council Of Europe	6¾	'87 Nov	100¾	6.01	5.89	6.23
dm 100	Council Of Europe	6½	'87 Nov	100½	5.82	5.70	6.47
dm 60	Council Of Europe	7	'88 Jul	101¼	6.31	6.05	6.91
dm 50	Council Of Europe	8⅛	'88 Jul	105¼	5.80		7.48
dm 150	Council Of Europe	6⅝	'88 Nov	100¾	5.85	5.61	6.30
dm 100	Council Of Europe	7⅜	'89 May	105	5.28	4.31	6.90
dm 125	Council Of Europe	7½	'87 Oct	101⅜	6.69	6.06	7.32
dm 100	Council Of Europe	10	'91 Apr	106	8.40	7.58	9.43
dm 100	Council Of Europe	10¼	'91 Oct	108	8.30	7.38	9.40
dm 150	Council Of Europe	10	'92 Feb	109½	7.82	6.91	9.13
dm 100	Council Of Europe	8¾	'92 Jun	106	7.46	6.95	8.25
dm 100	Council Of Europe	8	'92 Jul	107¾	6.53		7.47
dm 125	Council Of Europe	8½	'92 Nov	105	7.22	6.85	8.06
dm 160	Council Of Europe	7¾	'93 Feb	106½	6.62	6.28	7.39
dm 150	Council Of Europe	8¼	'93 Jul	105¾	7.38	7.09	7.96
dm 150	Council Of Europe	8½	'93 Nov	105¼	7.29	7.02	7.84
dm 150	Council Of Europe	8	'94 Feb	106¼	7.14	7.02	7.76
dm 150	Council Of Europe	6⅜	'94 Jul	98½	6.37		6.52
dm 200	Council Of Europe	7½	'94 Dec	104	6.85	6.76	7.21
dm 200	Council Of Europe	7½	'95 May	104½	6.80	6.70	7.18
dm 150	Council Of Europe	6⅝	'95 Oct	102½	6.26	6.24	6.46

Amt	Security	%	Mat	Middle Price	Yield Mat	Ave Life	Curr
dm 125	Ecs Euro Coal & Steel	9⅝	'87 Jan	101¼	6.15		9.58
dm 100	Ecs Euro Coal & Steel	6½	'87 Jul	100¾	5.69	5.49	6.45
dm 150	Ecs Euro Coal & Steel	7	'88 Jan	101	6.23	5.92	6.93
dm 150	Ecs Euro Coal & Steel	6½	'88 Apr	101¾	5.20	5.40	6.42
dm 150	Ecs Euro Coal & Steel	6	'88 Nov	101¼	5.39		5.93
dm 150	Ecs Euro Coal & Steel	9½	'88 Dec	102½	8.26	7.48	9.27
dm 150	Ecs Euro Coal & Steel	7¾	'90 Jan	101¼	7.36		7.74
dm 150	Ecs Euro Coal & Steel	5¼	'90 Apr	99½	5.47	5.60	5.29
dm 100	Ecs Euro Coal & Steel	8	'90 Aug	108	5.73		7.41
dm 120	Ecs Euro Coal & Steel	10	'91 Mar	104½	8.75	8.01	9.57
dm 150	Ecs Euro Coal & Steel	7	'91 Apr	103	6.24	5.93	6.80
dm 100	Ecs Euro Coal & St Pp	8¼	'92 Jun	113	7.66	6.81	7.74
dm 150	Ecs Euro Coal & Steel	7⅝	'92 Sep	105¼	7.74	7.63	7.83
dm 100	Ecs Euro Coal & Steel	7	'92 Dec	102½	6.50		6.83
dm 150	Ecs Euro Coal & Steel	7½	'93 Jan	103½	6.81	6.66	7.25
dm 200	Ecs Euro Coal & Steel	7⅝	'93 May	105¼	6.65		7.29
dm 60	Ecs Euro Coal & Steel	9¾	'94 Jan	101¾	9.39	9.21	9.58
dm 200	Ecs Euro Coal & Steel	8	'94 Nov	105	7.17	6.97	7.62
dm 200	Ecs Euro Coal & Steel	7	'95 Jul	102¼	6.59	6.50	6.83
dm 100	Ecs Euro Coal & Steel	6¾	'97 Dec	101¼	6.64	6.63	6.76
dm 200	Eec Europ Econom Com	8	'92 Jan	107¾	6.20		7.42
dm 250	Eec Europ Econom Com	8¼	'93 Jan	107¼	6.81		7.69
dm 100	Eec Europ Econom Com	10½	'93 Oct	111½	7.97	6.57	9.08
dm 150	Eec Europ Econom Com	9¼	'94 Apr	109¼	8.09	7.14	8.92
dm 225	Eec Europ Econom Com	7¾	'94 Nov	104¾	7.41	7.10	7.86
dm 200	Eec Europ Econom Com	8	'94 Nov	106¾	6.94	6.23	7.57
dm 200	Eec Europ Econom Com	7¾	'95 Feb	103¼	7.22	6.89	7.51
dm 100	Eec Europ Econom Com	7½	'96 Nov	106	6.67		7.08
dm 150	Eec Europ Econom Com	6½	'97 Sep	103¼	6.27		6.29
dm 100	Eib Europ Invest Bank	7¼	'86 Oct	100¾	4.58	4.28	7.69
dm 100	Eib Europ Invest Bank	6½	'87 Mar	102½	1.83	.98	6.38
dm 100	Eib Europ Invest Bank	6	'87 Sep	101	5.06	4.36	5.94
dm 100	Eib Europ Invest Bank	6¾	'88 Feb	103¼	4.52	2.82	6.54
dm 150	Eib Europ Invest Bank	7	'88 Jul	103	5.34	4.95	6.80
dm 150	Eib Europ Invest Bank	10	'89 Feb	110	5.67		9.09
dm 200	Eib Europ Invest Bank	7½	'89 Jun	103½	6.14		7.25
dm 150	Eib Europ Invest Bank	6	'89 Aug	102¾	5.18	4.45	5.87
dm 100	Eib Europ Invest Bank	8½	'89 Nov	104	7.09		8.17
dm 250	Eib Europ Invest Bank	5¼	'90 Mar	99½	5.40	5.50	5.28
dm 300	Eib Europ Invest Bank	6	'90 Oct	101	5.72		5.94

SWEDEN

Amt	Security	%	Mat	Middle Price	Yield Mat	Ave Life	Curr
dm 75	Sweden	9¼	'88 Mar	104¼	6.71		9.22
dm 200	Sweden	6	'89 Dec	101½	5.49	5.28	5.91
dm 150	Sweden	8¼	'90 Dec	105¾	6.67		7.84
dm 200	Sweden	7⅞	'90 Sep	107¾	7.26		7.31
dm 125	Sweden	9⅞	'92 Mar	106¾	8.07		9.25
dm 250	Sweden	7⅝	'94 May	107	6.49		7.26
dm 500	Sweden	7⅛	'95 Feb	105	6.46		6.79
dm 300	Sweden	6¾	'96 Mar	99½	6.18		6.28
dm 100	Ericsson Lm	6⅝	'88 Mar	100¾	1.29	1.26	6.61
dm 100	Forsmarks Kraftgrupp	5¾	'90 Jan	102½	5.58	5.48	5.72
dm 100	Pkbanken Post-Och	5¾	'88 May	100¾	5.59	5.52	5.74
dm 100	Pkbanken Post-Och	5¾	'90 Apr	92½	6.78		6.32
dm 100	Skf A/b	7¼	'89 May	102¼	6.87		7.34
dm 100	Sveriges Invest Bank	6¾	'87 Mar	101	5.07	5.06	6.68
dm 100	Sveriges Invest Bank	7	'88 Mar	105¼	3.44	2.27	6.65
dm 100	Swedish Export Credit	7¾	'90 Sep	105	4.88		9.85
dm 100	Swedish Export Credit	10¾	'91 Nov	118	7.86	7.28	9.12

SWITZERLAND

Amt	Security	%	Mat	Middle Price	Yield Mat	Ave Life	Curr
dm 100	Adia Resources Lt W/w	4½	'95 Nov	121	2.81		3.72
dm 100	Credit Suisse Pan X/w	4	'90 Jul	95½	5.26		4.19
dm 100	Credit Suisse Pan W/w	4	'90 Jul	125½	1.97		3.19
dm 150	Credit Suisse Pan W/w	2¾	'95 Dec	96½	3.06		2.72
dm 150	Credit Suisse Pan X/w	2¾	'95 Dec	75	6.20		3.58
dm 100	Intershop O/s Fin W/w	2¾	'96 Jul	100	2.75		2.75
dm 60	Lindt & Sprungli W/w	2	'93 Jul	104	1.40		1.92
dm 75	Moevenpick Fin Lt W/w	3	'92 Nov	119	.82		2.52
dm 75	Moevenpick Fin Lt X/w	3	'92 Nov	84½	5.99		3.55
dm 100	Pirelli Deutschld W/w	3	'93 Feb	110¾	1.36		2.72
dm 100	Pirelli Deutschld X/w	3	'93 Feb	82¼	6.39		3.65
dm 200	Swiss Bank Corp O/s	7⅛	'90 Jul	102½	5.84		6.82
dm 200	Swiss Bank Corp O/s	3¾	'94 Dec	157	2.80		1.99
dm 200	Swiss Bank Corp W/w	2¾	'96 Feb	105¼	2.14		2.61
dm 200	Swiss Bank Corp X/w	2¾	'96 Feb	75¾	6.18		3.63

UNITED KINGDOM

Amt	Security	%	Mat	Middle Price	Yield Mat	Ave Life	Curr
dm 125	Allied Chemical O/s	7½	'94 Feb	103½	6.88		7.25
dm 250	Barclays O/s Invest	8½	'96 Dec	107½	7.18	7.07	7.56
dm 80	Bass Continental Fin	8⅛	'92 Oct	102¾	7.55	7.46	7.91
dm 125	Beecham Financiering	8¼	'92 Oct	103¾	7.44		7.87
dm 200	Beecham Group	7¾	'94 Nov	105½	6.80		7.13
dm 150	Btr Finance	7¾	'94 Dec	105¼	6.58		6.99
dm 100	Courtaulds Intl Fin	6½	'87 Jul	100¼	4.22	4.23	6.48
dm 100	Guest Keen Nettlefold	8¾	'89 Nov	104¼	6.71		8.80
dm 100	Heron Internat Financ	7¼	'95 Dec	100¾	7.13		7.20
dm 100	Lonrho Finance	8	'91 Nov	106	6.61		7.55
dm 100	Metrocol Estate	7½	'92 Feb	103¼	6.77		7.26
dm 100	Midland Intl Finance	8½	'90 Oct	102	7.91		8.32
dm 125	Natl Westminster Fin	11	'91 Oct	119	6.57		9.24
dm 100	Natl Westminster Fin	9¾	'92 Jan	114¼	6.67		8.64
dm 75	Rank Xerox Finance	7½	'93 Apr	104	6.73		7.21
dm 100	Reed International	7¼	'88 Jan	101	6.48	6.36	7.18
dm 100	South Scotland Electr	7	'88 Feb	100¾	6.44	6.23	6.95
dm 125	Standard Chartered Bk	6½	'88 Jan	101½	5.29		6.40
dm 100	Trafalgar House Fin	6½	'87 Oct	101	5.61	5.03	6.44

U.S.A.

Amt	Security	%	Mat	Middle Price	Yield Mat	Ave Life	Curr
dm 70	American Express Intl	5½	'87 Jan	100½	4.44		5.47
dm 100	Avon Intl Finance	7½	'93 Feb	103½	6.81		7.25
dm 150	Bankamerica O/s	5½	'90 Nov	99¾	5.81		5.51

EURO CURRENCY UNITS

CANADIAN DOLLARS

FRENCH FRANCS

JAPANESE YEN (EURO)

NORWAY KRONERS

POUNDS STERLING

NASDAQ National List

OTC consolidated trading for week ended Friday.

CONVERTIBLE BONDS

July 10

EUROPE

JAPAN

MISCELLANEOUS

U.S.A.

HIGHEST CURRENT YIELDS

On convertibles having a conversion premium of less than 10%.

Amt	Security	%	Mat
$ 140	Elders Nv 445.65	11⅝	'94 Jul
$ 50	South Calif Edi 61.78	12⅞	'97 Aug
£ 100	Ici Finance 1.25	8½	'99 Oct
$ 50	Ina O/s Finance 22.93	8¾	'89 Sep
$ 50	Sumitomo Metal Indust	7	'95 Sep
$ 50	Newmont Mining 16.10	8½	'10 Mar
$ 25	Intl Stand Elec 17.14	8⅜	'89 Nov
$ 30	Itt Sheraton 18.55	8½	'89 Jul
$ 30	Viacom Intl Inc 36.37	7¾	'00 Jul
$ 80	Cadbury Schweppes	6	'98 Dec
$ 30	Kinder-Care Intl 23.39	6¼	'98 Aug
$ 50	Great Western 29.52	7½	'98 Jul
$ 100	St Paul Comp 29.75	7¾	'00 Apr
$ 30	Comcast Corp 41.88	7	'00 Sep
$ 50	Mohasco Intl 28.62	5	'87 Jun
$ 15	Cummins Intl Fin 18.35	6¾	'86 Oct
$ 75	Pearson Plc	5¼	'01 May

Explanation of Symbols

CD$	Canadian Dollar	SDR	Special Drawing Rights
ECU	European Currency Unit	Y	Yen
EUA	European Unit of Account	LFR	Luxembourg Franc
L	Pound Sterling	SFR	Swiss Franc
DM	Deutsche Mark	FF	French Franc
NKD	Norwegian Kroner - DM		

The Daily Source for International Investors.

هكذا من الأصل

New Eurobond Issues

Compiled by Nicole Baruch from information supplied by European bond traders.

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
TING RATE NOTES						
can Savings &	$200	1996	0.15	100	—	Over 6-month Libor. Callable at par after 1991. Fees 0.65%. Collateralised issue in denominations of $100,000.
n Bank	$ 50	1991	libor	100.10	—	Noncallable. In first two years, issue pays 3⅛ points below Libor, in third year pays 6-month Libor, and in fourth and fifth years pays 3⅛ points above Libor. Fees 0.20%. Denominations $10,000.
-COUPON						
	$100	1991	7⅝	101¼	99.50	Noncallable. Fees 1⅞%.
nstalt rein	$100	1993	8	101	98.63	Noncallable. Fees 1⅞%.
e Dello Stato	$100	1991	7⅝	101⅝	99.50	Noncallable. Fees 1⅞%.
	$200	1993	7½	100½	97.80	Noncallable. Fees 1⅞%.
eni Hong Kong	$ 50	1991	8½	101	—	First coupon to be paid in one lump sum in 1990. Noncallable. Fees 1⅞%.
n Credit Bank	$100	1993	8	101	99.20	Noncallable. Fees 1⅞%.
les phes et nes	$100	1989	10	101⅜	100.38	Redemption at maturity linked to long bond. Redemption amount will rise as price of 7¼% U.S. Treasury bonds due 2016 falls, and vice versa. Fees 1⅞%.
ternational	DM200	2001	zero	38.88	38.55	Yield 6.50%. Noncallable. Proceeds DM77.76 million. Fees 2⅛%.
Building	£100	1993	9⅝	100⅛	97.63	Noncallable. Fees 1⅞%.
Electric Power	£ 50	1993	9¾	101⅝	98.50	Noncallable. Fees 1⅞%.
	Lire100,000	1991	10½	100¼	97.75	Noncallable. Fees 1⅞%.
Bank	DFL200	1991	6	99½	—	Noncallable. No fees.
rk	DFL250	1996	6½	101⅜	—	Noncallable. No fees.
ge Bank of rk	FF500	2001	8	100½	98.88	Callable and redeemable at par in 1991 when new terms will be set. Fees 1⅞%.
OM	ECU100	1996	7⅜	100	97.75	Noncallable. Targeted to european savings banks. Fees 2%.
Paribas nd	NZ$ 40	1990	16¼	100¾	—	Noncallable. Fees 1½%.
Industries Western a	NZ$250	1993	zero	39	37.75	Yield 14.40%. Noncallable. Proceeds NZ$97.50 million. Issue not subject to australian withdrawal of withholding tax exemption. Fees 1½%.
s Overseas	Y40,000	1996	6	101⅞	99.75	Noncallable. Fees 2%.
rgan	Y20,000	1994	6	101⅜	99.38	Noncallable. Fees 2%.
Dominion	Y20,000	1993	6	101½	99.38	Noncallable. Fees 1⅞%.
Y-LINKED						
rcial Shearing	$ 35	2001	open	100	98.50	Coupon indicated at 6%-6¼%. Redeemable at between 111¾ and 115 after 1991 to yield 8¼% to 8½%. Callable at 106 after 30 days but noncallable before 1991 unless share price exceeds 130% of conversion price. Convertible at an expected 22%-25% premium. Fees 2½%. Terms to be set July 16.
s	$ 25	2001	6½	100	100.00	Redeemable in 1991 for a yield of 8.524%. Callable at 106 after 30 days. Convertible at $4.625 per share, a 21.31% premium. Fees 3%.
Chemical	$ 40	1991	2⅝	100	100.00	Noncallable. Each $5,000 note with one warrant exercisable into 1,763 shares. Fees 2¼%.
Railroad	$130	1991	2⅝	100	100.00	Noncallable. Each $5,000 note with one warrant exercisable into 564 shares. Fees 2¼%.
l Guardian	$ 40	2001	open	100	99.00	Coupon indicated at 7%-7½%. Callable at 130% after 1989. Convertible at an expected 15% to 20% premium. Fees 2½%. Terms to be set July 14.
Dunlop	$ 75	1996	open	100	100.00	Coupon indicated at 6¾%-7%. Redeemable at par after 1991 and callable at 106 in 1987 unless share price exceeds 130% of conversion price. Convertible at an expected 20%-25% premium. Fees 2%. Terms to be set July 18.
	$ 30	2001	5¾	100	100.75	Callable at 106 but noncallable before 1989 unless share price exceeds 130% of conversion price. Convertible at $25.875 a share for a 14.365% premium. Fees 2½%. Increased from $25 million.
Electric	$ 25	1991	2⅝	100	107.00	Noncallable. Each $5,000 note with one warrant exercisable into 1,138 shares and at 160.90 per dollar. Fees 2¼%.
gen ional Finance	$150	2001	3	100	104.00	Each $1,000 note has two warrants exercisable into a total of 8 shares at 490 marks each.
onsho	$ 50	1991	open	100	100.00	Coupon indicated at 2¾%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2¼%. Terms to be set July 17.
	$ 20	2001	3	100	—	Callable at 104 in 1991. Redeemable at 117 in 1991 for a yield of 6%. Convertible from 1991 into 5,226 shares at 884.60 won per dollar. Fees 2½%.
hi Chemical es	DM300	1993	1¼	100	98.75	Noncallable. Each 5,000-mark note with one seven-year warrant exercisable into 448 shares. Fees 2¼%.
Look	DM 45	1991	1¼	100	100.50	Each 5,000-mark note with one warrant exercisable into 491 shares. Fees 2¼%.
ance	FF600	1993	8⅛	116	115.25	Noncallable. Each 10,000-franc note with 20 warrants exercisable into company's shares at an expected 10%-12% premium. Fees 2¼%. Terms to be set July 16.
ANTS						
rske ank	0.75	—	3 mos	$24	—	Warrants are exercisable into $75 million of 8¼% noncallable bonds due 1996 at par.
n	0.25	—	9 mos	$22½	—	Warrants are exercisable at 104 22/32 into U.S. Treasury's 7⅞% bonds due 1996.

ITI: *Unrest Clouds Future of Assembly Industry*

ued from first finance page)
t from "an American busi-
's point of view, the worst-
nario for Haiti is not that

e doesn't seem to be much
ity of a Communist take-
eizure of our factories," he
really comes down to labor disturbances or potential labor disturbances, and they get magnified out of all proportion.

"If I have a strike in New Jersey," he said in the interview, "the workers get unemployment, they have a working spouse, there is a strike fund. The strike could last for a long time. In Haiti, if you go out on strike, there is none of that. It sounds cruel, but if you don't work, you don't eat."

According to the U.S. Embassy, about half of the work force in Haiti, the poorest country in the hemisphere, is chronically unemployed. Among the principal attractions to Haiti for U.S. businessmen have been the country's minimum wage of $3 a day and the renowned performance of the workers.

William Reddick, the 53-year-old manager of a plant that makes electric motors for IMC Magnetics Corp. of Jericho, New York, favorably compares Haitian workers with the Japanese.

But he said, "The Japanese works because he loves to work. These people work because they know they will be replaced by 10 people who are out there looking for their jobs. My quality and production here are better than in New York."

Thomas E. Moore, the deputy director of the Caribbean Information Center of the Department of Commerce in Washington, said that the situation in Haiti "is not bad enough or dismal enough to warrant leaving."

However, he said, it is difficult to recommend Haiti over some other places in the area.

"In the past I would have recommended Haiti probably at the top of the list. I think in general people have read the newspapers and are leery of being involved in the country right now. If we can keep business from leaving we will have accomplished what we can during this period."

Several plant managers said their companies had decided to stay in Haiti and some said they had recently received fresh orders and had taken on new employees. A few days after the strike that idled her plant, Mrs. Mendoza said her company had received orders that would keep it busy through September.

Michael L. Smolens, who has been working in Haiti for 16 years and employs 400 people in a factory that finishes tennis rackets, said that his business has been up 20 percent in the past four months and that he has plans to expand.

Mr. Brooks said MacGregor expects to hire an additional 400 Haitians over the next 12 months.

He said he thinks this is "a time of golden opportunity" for opening new factories in Haiti and expanding old ones because "things are only going to go uphill." Most managers interviewed here were not that sanguine.

"I wouldn't come in now," said Mr. Reddick, who has managed the electric motor plant here for seven years. "It's too unpredictable."

He said he could see "other countries I would rather go to now," but, that he had recommended against leaving Haiti because he did not think it was "worth the hassle." He said he had added 20 people to his payroll in the past few weeks.

Susan Barrows, the 22-year-old manager of a subsidiary of Canvas and Leather Bag Co. of Melville, New Jersey, said she increased her work force in May by 35 percent to 230. She said she had two orders worth 10 percent of her company's summer business canceled in June because of late delivery. Still, she said, the company had reviewed its finances after a year in Haiti, found that it had broken even, and decided to stay.

NDS:
ker Prices

ued from first finance page)
m over the current price
on the Frankfurt Stock Ex-
The option can be exer-
ytime from next September
ug. 1, 2001.
bonds, offered at par, were
ately quoted at a premium
bid-107 asked. Bankers said
d be unfair to interpret the
m as a sign that VW was
generous to investors. "You
can't quantify what value
rs will place on a 15-year
" one banker said.
ark contrast to the fixed-rate
of the bond market, the
linked issues, with few ex-
s, traded at the issue price
ter. And the exceptions,
rcial Shearing and Nation-
dian, were quoted comfort-
thin the fees paid to under-

week, Hanson Trust, a ma-
ernational conglomerate
n Britain, will offer 75 mil-
ures to investors outside the
in an effort to broaden and
y its ownership. The sale,
3 percent of the equity of
pany, is made up of exist-
unissued shares and there-
presents no dilution. The
ffering will be priced Mon-
a level equal to that day's
price on the London Stock
ge.

Bond Prices Mixed, Trade Light a Day After Fed Cut

By Kenneth N. Gilpin
New York Times Service

NEW YORK — Bond prices were mixed in light trading at the end of last week as traders chose to hang on to short-term issues and take profits on more speculative, longer-term securities.

The price decline, which amounted to more than a point and a half in some issues, came a day after the U.S. Federal Reserve Board announced it would cut its discount rate by half a point, to 6 percent. The move had been widely anticipated and was preceded by a rally in the credit markets that lasted the better part of two weeks.

"This was a case of sell on the news," said a government bond trader who asked not to be identified. "The market had run up to levels where this type of thing had to happen."

Near the close of trading, the bellwether 7¼-percent, 30-year Treasury bond was offered at 100 22/32, down more than half a point, to yield 7.18 percent. Meanwhile, the Treasury's 7⅜-percent, 10-year bond was offered at 100 14/32, down just under half a point, to yield 7.29 percent.

Short-term rates were little changed on the day. Three-month bills, for example, were offered at 5.75 percent, down 2 basis points. Six-month bills were steady at an offer of 5.81 percent.

The cut in the discount rate, which the Fed hopes will lend some pep to a sagging economy, is also expected to lead to further lending-rate cuts in industrialized countries like West Germany and Japan.

"I get the sense that the Japanese will cut their rates and the Germans will cut theirs," said a government securities dealer in New York, "but they will do it on their own schedule."

U.S. CREDIT MARKETS

U.S. Consumer Rates
For Week Ended July 11

Passbook Savings	5.50 %
Tax Exempt Bonds Bond Buyer 20-Bond Index	7.45 %
Money Market Funds Donoghue's 7-Day Average	6.34 %
Bank Money Market Accounts Bank Rate Monitor Index	6.17 %
Home Mortgage FHLB average	11.02 %

WORLD STOCKS IN REVIEW / *Via Agence France-Presse*

Amsterdam

AMSTERDAM — The sharp drop on Wall Street early last week produced little reaction on the Amsterdam stock market, with the general index hitting a record 294.4 on Friday, against the previous week's close of 292.6.

Volume was 3.766 billion guilders, against 3.82 billion the previous week, with official market stocks accounting for 2.51 billion, against 2.52 billion.

Banks performed particularly well, with Algemene Bank Nederland gaining 15.50 guilders to 610.50, and Amsterdam Rotterdam Bank 3.60 to 110.90. Shipping and aviation lagged behind, dragged down by KLM, while in the international sector, Royal Dutch lost 2.70 in line with dropping oil prices.

Frankfurt

FRANKFURT — The market reached a low for the year last Monday but recovered to close the week on an upward trend.

The Commerzbank index gained 17.2 points over the week to finish at 1,884.6, after Monday's fall to 1,814.7 points.

Total volume stayed below 2 billion DM at 1.98 billion, against 1.9 billion a week earlier.

In auto stocks, Daimler-Benz gained 34 Deutsche marks to 1,322 DM, Volkswagen rose 12 to 484, and BMW gained 4 to 572. In chemicals, BASF gained 1.20 to 258.20, Bayer was up 3.35 at 285.50 and Hoechst gained 3.40 to 258.50.

Banks also ended higher, with Deutsche Bank up 18.50 to 760, Commerzbank 7.50 to 302.50 and Dresdner Bank 10.70 to 412.70.

Hong Kong

HONG KONG — Heavy selling drove the Hang Seng index down by 34.87 points last week to finish at 1,721.69.

The Hong Kong index slid 22.65 points to finish at 1,074.1.

Average daily volume was 212.58 million Hong Kong dollars, down from last week's 260 million.

The market opened with modest buying on Monday followed by moderate selling in the next two days, moving the market indicators within a narrow range.

An avalanche of selling on Thursday sent the index down by almost 30 points as investors decided to shift their funds from a market that is probably still to bottom out.

Dull trading, with slight bargain-hunting interest on Friday, marked the end of the week.

London

LONDON — Deepening pessimism over prospects for the U.S. economy sent share prices into sharp retreat last week.

Wall Street's record decline Monday prompted a similar move for the Financial Times industrial share index, which suffered its biggest one-day fall Tuesday, before regaining some ground to close down 19.2 points on the week at 1,337.3.

Sentiment was also unsettled by the fall in North Sea crude oil prices to their lowest for 12 years and by disappointing money supply figures, which dashed hopes for an early cut in British interest rates.

The volume of transactions rose to 142,238 from 122,429 the previous week.

Among leading equities, Vickers and GEC fell sharply on the failure at the European Court of Human Rights of their claim for nationalization compensation. British Telecom was upset by reports that a future Labor government would renationalize the company.

Milan

MILAN — Italy's political crisis, entering its second week, began to affect the stock exchange, causing a 2.9-percent drop in values, compared with an increase of 7 percent the previous week.

Monday was marked by extreme caution, in which 15 million shares changed hands, the lowest this year, in trade worth only 98 billion lire.

Negative tendencies dominated on Wednesday, when the fall was 0.8 percent, and a slight recovery on Thursday was followed by a fall of 2.2 percent on Friday, as the Socialist Party rejected Giulio Andreotti, a Christian Democrat, as the man chosen to solve the crisis.

In a slack market, insurance and banking lost the most ground, and only Fiat (1.21 percent) showed any substantial gain. Montedison lost 1.8 percent on news of its takeover of the Swedish group Fermenta.

Paris

PARIS — The bourse continued to improve last week, despite the record drop on Wall Street Monday.

The CAC index closed Friday at 374.1 points against the previous week's 372. Prices have progressed 10 percent since June 23, the beginning of the July term.

The value of shares traded came to 34.81 billion francs, compared with 34.65 billion the previous week.

The market was buoyed by favorable first estimates of inflation in June by the government statistical office, INSEE, which also predicted quite good economic activity in the second semester, despite persistent unemployment and a wide trade deficit.

Traders were also encouraged by the cut in the U.S. discount rate.

Particular interest was shown in Alsthom, Peugeot S.A., Thomson-CSF and Source Perrier.

Investors have generally become more cautious since the June purge, but they have about 20 billion francs at their disposal in dividends traditionally generated in the first two weeks of July. Among foreign buyers, Japanese investors have been most active.

Singapore

SINGAPORE — News of an early general election in Malaysia helped share prices to recover on the Singapore stock market Friday, after being traded lower during the week.

Dealers said the market was in an oversold position and Friday's rally had helped regain some of the losses.

While the weakening ringgit affected Malaysia-based counters, local blue chips held well following the news of a multimillion-dollar investment in the electronics industry.

Volume remained thin, totaling 54.4 million units valued at 97.64 million Singapore dollars for the week, against last week's 77.12 million units, valued at 154.25 million dollars.

The Straits Times industrial index lost 3.72 points to 732.01.

Malaysia-based Promet Berhad topped the list of actives with volume totaling 3.07 million units. Promet, which has rescheduled its 320-million Malaysian ringgit debt, has been granted duty-free status for the development of the Langkawi resort. UIC, which is trying to take over government-controlled Intraco, was also sought.

Tokyo

TOKYO — Share prices stretched their winning streak to an eighth consecutive week in active and erratic trading.

The 225-blue chip Nikkei average, a 97.30-yen gainer the week before, added 73.04 yen last week to close at 17,670.77, after hitting an all-time high Tuesday of 17,734.15.

The composite index of all common stocks listed on the first section finished the week at 1,375.15 points, topping a record of 1,369.63 points set Tuesday.

Trading was extremely heavy, with average daily volume at 1.058 billion shares, compared with last week's 726.7 million.

The landslide victory by the ruling Liberal Democratic Party in general elections July 6 led to heavy buying by institutional and corporate investors on Monday and Tuesday, and profit-taking on Wednesday and Thursday.

Friday saw both the Nikkei average and the TSE soar, after the U.S. discount-rate cut announced Thursday, and investors became increasingly convinced that the Bank of Japan would soon cut its own rate for the fourth time this year.

Zurich

ZURICH — Both Swiss and foreign shares declined last week, despite a light rally Friday. The Société de Banque Suisse index closed at 627.4, down from the previous week's 638.5.

Banks were poorly supported, with Crédit Suisse down 70 to 3,740 and Banque Populaire Suisse down 50 to 2,470. Financials were irregular within narrow bounds, while insurances lost heavily, notably reassurance bearer shares, which dropped 450 to 16,900.

Industrials fared poorly, with Brown Boveri down 70 to 1,780. In foods, Nestlé bearer shares dropped 250 to 8,250, while in chemicals, Sandoz bearer shares lost 200 to 11,700.

Among foreign issues, U.S. stocks were heavy losers, with General Electric off 4.50 points at 136.50 and Honeywell down six to 131.50. West German shares improved, however, notably AEG, gaining four to 244, and Bayer 4.50 to 234.50. Dutch and French stocks lost a few fractions.

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AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, 1st July 1986

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AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, 3rd July 1986

EUROPEAN COMMUNITY

Italy Seeks Approval for Research Aid to Iveco

By Steven J. Dryden
International Herald Tribune

BRUSSELS — The European Commission is under pressure from Italy to approve a large financial aid package for research and development at a Fiat truck company.

The commission's decision in the case is viewed as an important signal of how it will apply its new guidelines on state aid for research and development projects. The guidelines, approved in December, were aimed at encouraging such aid by clarifying the policy on government financial assistance.

The case is also viewed by Peter Sutherland, the EC commissioner for competition policy, as an opportunity to reaffirm his power to investigate antitrust matters.

Mr. Sutherland has taken a skeptical attitude toward Italy's request to provide aid to Iveco BV, the Fiat company. The assistance could total as such as 60 billion lire ($41 million) in grants and loans, an Italian government spokesman said.

One of Mr. Sutherland's concerns is whether Iveco's research and development plans, for which the aid is targeted, are truly innovative. "What we want to avoid is people disguising all kinds of aid as R&D," one commission source said.

The request for aid comes at a time when the European truck industry is in a slump because of overcapacity, and there is concern that the assistance could work to the disadvantage of other companies.

Sources said the aid has been backed by the two Italian commissioners, Carlos Ripa di Meana and Lorenzo Natali, as well as the Spanish commissioner, Manuel Marin and the Greek commissioner, Grigoris Varfis.

Because of Mr. Sutherland's objections, the commission has delayed a decision on whether to approve the aid, probably until the end of this month.

EC Officials Urge Japan In Talks to Open Markets

EC officials have pressed Japanese representatives to do more to stimulate domestic demand and open Japan's market to imports.

The requests came last week during high-level talks in Brussels that were clouded by the sharp increase in Japanese exports to Europe.

The Japanese delegation, led by Reishi Teshima, the deputy foreign minister, responded that Japan was doing all it could to increase demand, and that it was hoping for an upturn in the second half of this year.

The Japanese also rejected suggestions that their exporters were targeting Europe because of problems in selling in the United States. The yen's value has increased more against the dollar than it has against European currencies.

During the first five months of 1986, Japanese exports to the EC of such products as cars and metal-working machinery more than doubled over the same period in 1985.

The increase in exports has aggravated the EC's chronic trade gap with Japan, which reached $13.7 billion last year.

Nations Divide Up Quota On Steel Exports to U.S.

The member states agreed last week on the division of a steel export quota set by the United States, clearing the way for a final settlement of a dispute with Washington over semifinished steel.

Agreement among the member states had been delayed by the insistence of West Germany and Italy on receiving a larger share of the quota, which is set at 800,000 metric tons (880,000 short tons) this year.

The European Commission had set the West German share at 50 percent of the quota and the Italian share at 3 percent. Under the agreement, the formal shares remained the same, but both countries were assured greater quantities through unused portions of the total quota.

The EC imposed quotas on U.S. exports of fertilizer, beef tallow and art paper earlier this year after the United States unilaterally set a quota of 600,000 metric tons on imports of European semifinished steel.

Semifinished steel was not covered in the broader steel agreement reached between the United States and the EC in November, and the United States contended that the EC was flooding the U.S. market with the products in violation of an earlier accord.

UAL Approves Frontier Move

New York Times Service

CHICAGO — The board of UAL Inc., the parent of United Airlines, approved Friday, as expected, the acquisition of the Frontier Airlines subsidiary of People Express Inc. for $146 million in cash.

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China Applies For Membership In GATT Group

Reuters

GENEVA — China has applied for membership in the General Agreement on Tariffs and Trade, a spokesman for the body said Sunday.

The spokesman, David Woods, said Beijing would be allowed a role in major GATT negotiations later this year on opening new markets and halting a rise in protectionism. GATT trade ministers will hold a week-long meeting starting on Sept. 15 in Punta del Este, Uruguay, to launch the talks, which could take five to 10 years to complete.

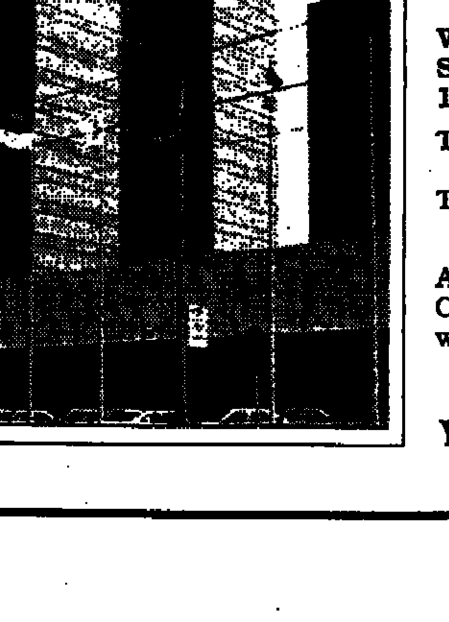
China would become the only major Communist country that is bound by the free-market group, which regulates 80 percent of world trade.

China asked to be awarded concessions that are granted to developing nations when they are negotiating GATT trade agreements, Mr. Woods said.

Its formal application was received Friday and will be presented to a full 91-nation council meeting on Tuesday, he said.

NOTICE

Yamaichi International (Nederland) has a New Address



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NASDAQ National Market

OTC Consolidated trading for week ended Friday.

	Sales in 100s	High	Low	Close	Net Ch'ge
A					
ABS .40 3.0	1195	20½	18¾	19¾	
ADC s	922	20¾	18¾	19½	— ¾
AEC .32 2.6	1220	12½	11¼	12½	— ¼
AEL	668	13¾	12¼	12¾	—1¼
AEP	2706	12¾	11	11¼	—1¼
ALC Cm	871	6¾	5⅝	5¾	—1¼
ARC Inf	943	4⅝	4½	4⅝	— ¼
ASK	1555	11¾	10	10¾	— ¾
AST	4281	14½	12⅛	12½	—1⅜
AT&E	1840	15¼	13¾	14½	— ¾
ATE	115	5¾	5⅝	5⅝	
AW A	2596	5⅝	3⅝	4⅝	— ¼
AaronRt	647	19	18½	19	+ ¼
AcaJos	1879	5⅝	5¼	5¼	— ½
Acadin	2137	3½	3	3	— ⅝
Acelrtn	487	12¾	11½	11⅝	—1½
AcuRay .24 1.1	2315	25⅛	21⅝	21⅝	—3¼
Aceto .14r .7	89	20¼	19¾	19¾	— ½
ACMAT	14	17¾	16¾	17¾	— ¼
Actvsn	12446	1½	1¼	1⅜	
Actmed	1360	32	28½	29¼	—2½
AdacLb	2128	1⅝	1¾	1⅜	— ¼
Adage	642	4	3⅝	3½	— ¼
AdiaW .80 1.9	39	41¾	40½	41½	
Adia s	1421	16¼	15⅝	16¼	
Admac	891	10¾	9½	10	— ¾
AdvCir	948	8¼	7½	7¾	— ¾
AdCal	82	5⅝	4¾	4⅝	— ⅜
AdvGen	3471	6¾	5⅝	6	+ ⅜
AdvSem	204	8½	8	8½	— ⅛
AdvTel	1092	8¾	6⅞	8¼	+ ¾
Aequitrn	2557	8¼	7¼	7¾	— ¼
Aegon .36t .8	319	44¼	43⅝	43⅞	+ ¾
AerSvc	100	2⅝	2½	2⅝	+ ¼
AerSysI	1438	2¼	1⅞	2¼	— ⅛
AflBcp .25t	1014	14¼	13¼	13¼	—1½
AflBsh .80 5.3	807	15¼	14¾	15	— ⅝
AgcyR s	18168	8¾	19½	20	—23¼
Agnico g	955	16¼	15⅝	16	+ ¼
AirCp .24 1.8	284	14	13½	13½	
AirCrg s	295	7½	7⅛	7⅜	— ⅜
AirMd .10a 2.6	1179	4¼	3½	3⅞	— ⅛
AirWisc	2651	11⅜	10	11	+ ⅜
AlaFdl	611	22½	20⅜	21	—1
AlskBc .44e 7.5	52	6⅝	5⅝	5⅝	— ⅜
AlskMt .25t 3.1	563	8⅝	8	8	— ⅝
AlskNt	7	6¾	6⅛	6¼	+ ¼
Alaten 2.20 7.2	222	31½	28½	30½	— ½
AlcoHl	1310	23¾	22⅛	23¼	— ⅛
AlexBr	1351	29¾	27½	28½	—1½
AlexB s 1.36 3.9	1085	37½	33¾	34¾	—2½
Algorex	64	5⅝	4⅝	4⅝	— ¼
Alicoln .90 1.0	28	98	86	86	—4
AlIAm	2235	16¼	15¼	15½	— ¼
AlegW .24 .9	1581	27½	25¼	25¼	—1½
AllegBv .40 2.4	4080	17	15	16¾	
AllnOrg .24a .6	49	38	36	37½	+ ½
AlldBn .84 5.4	4265	15¾	14¾	15	— ½
AlldCo s .72a 3.3	134	22½	21¾	22	— ¼
AlldRsh	588	5⅝	5⅜	5½	— ⅛
Allison	514	13¾	10⅞	12¾	— ¾
AllyGar .15e 1.3	56	11⅝	11⅜	11⅜	+ ⅛
AlphMic	444	6⅝	5½	5⅝	— ⅝
Altrmcr	131	3⅝	3½	3½	
Altos	5726	14⅝	12⅞	14¼	— ¼
Altron	160	10	9¼	9⅝	— ¼
Amcast .44 3.5	1786	13¾	12½	12½	— ⅞
Amcole	51	6	5	5½	— ¼
Amerbc	93	13½	11½	11½	+ ½
AFFMt	181	x3⅝	3¼	3¼	
AFFMt2	484	x3¾	12	13	+ ⅛
AFTxEx .28a 1.3	289	20¾	19⅝	20¾	+ ⅞
AWAirl	4945	8⅝	8⅛	8½	— ½
AmAdv	549	1⅞	1⅝	1	— ⅝
ABusp	61	5½	4⅝	5½	
ABkCl s .40 2.0	17	20½	20	20	— ½
ABnkr .50 3.5	3543	14½	14¼	14¾	— ¼
ABrk g s	1627	10½	10¼	10⅝	
AmCarr	902	15⅞	15⅝	15¾	— ¾
AmCity	274	39¾	35	36½	—3½
AConti .10e .9	336	12½	11⅝	11¼	—1
AmCrse	5306	10	9	9½	
AmEcol	212	26¾	25	25	—1
AExpl	121	2¾	1⅞	2⅛	— ⅛
AFdSL .60 3.4	1087	19½	17	17½	—2
AFlltrn 1.40 3.4	20	42½	41	41¾	— ¼
AmFrst	176	3⅝	3⅜	3⅝	
AFletch 1.00 1.9	2060	54⅞	52	52¾	—2
AFurn .28 2.1	198	14⅝	13	13¼	—1⅝
AGreet .66 1.7	4956	42	37⅜	37⅝	—4
AmHlth	3271	14½	14	14	— ¼
AHSld	1828	6½	5½	6	— ⅛
AmInLf .40 2.9	1652	14¼	13	13¾	— ¼
AIndF 1.12 5.7	348	19⅝	19⅜	19½	— ⅛
AIM 84 1.45e 8.4	583	20	19⅝	19⅝	
AmInteg	1581	23¼	21	21¼	—1¼
AInvLI s .20 2.8	1164	7⅝	7	7¼	+ ⅛
ALand	90	8¼	7⅛	8	
ALnd wt	70	1½	1⅜	1⅜	— ⅛
AmLsl s	65	18¼	17¼	17¼	— ¼
AmLck .28e 2.5	36	12½	11¼	11¼	— ¼
AMagnt	283	4¾	4¼	4¾	— ⅛
AMS s	1003	18	16½	17	—1
AMdCtr	558	7¼	6	7¼	+ ½
AMdSv s .14 .8	297	18¾	17½	17¾	— ⅛
AMidl	9141	⅝	½	⅝	— ⅛
ANtHd 1.24 3.0	73	43¾	41½	42	—2¼
ANtIns 1.20 3.1	890	38¾	37⅜	38½	— ¼
ANucIC	105	2⅝	2¼	2¼	— ⅜
AmNucl	171	2⅝	2¼	2¼	— ¼
APhyG	200	3⅛	2⅞	2⅞	
AmPlan	432	10	9¼	10	+ ⅜
AmRest	84	3⅝	3⅜	3⅜	
ASavNY	9357	23⅞	21⅞	21¾	—1½
ASNY pf	2517	85¼	24½	24⅞	— ½
ASavWA	284	18	16½	17½	
AmSec 1.02 2.8	724	38½	35	36	—2⅞
AmShrd	47	3	2¼	2¼	
AmSoft	1517	13	10½	11½	—1½
ASolar	3991	2⅞	2¾	2¾	— ⅛
ASurg	1580	⅜	⅜	⅜	
AmTrav	986	8⅝	8¼	8¼	— ¼
AWstCp	257	12½	11½	12	— ¼
Amrltr 1.76 3.7	3011	49½	46⅞	47⅛	—1⅞
Amrwst	525	17¼	14⅝	16⅛	— ¾
Amerfk	282	3¼	2⅝	2⅞	— ¼
Amgen	7952	25⅝	21⅞	22¼	—2⅜
Amistar	319	7¼	6½	6½	—1½
AmskB s .56 2.4	1097	25	22½	22¾	—1½
Amosk 1.20a 1.6	39	82⅛	77	77	—3
Ampad .40 2.4	830	17	15½	17	+ ½
Anadite	64	7⅝	7¼	7¼	— ⅜
Anlogic	2211	12½	11⅜	11⅜	— ⅜
AnlyTc .10 1.1	1781	9½	8⅝	9½	+ ½

(Continued on Page 17)

Mutual Funds

Figures as of close of trading Friday

NEW YORK (AP)— The following quotations, supplied by the National Association of Securities Dealers, Inc., are the prices at which these securities could have been sold (Net Asset Value) or bought (value plus sales charge) Friday.

NL— No initial sales load. ‡— Previous day's quote. r— Redemption charge may apply. x— Ex dividend.

American Exchange Options

Figures as of close of trading Friday.

Total Volume: 282,360
Open Interest: 3,802,658
r— Not traded. s— None offered. o— Old.

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Monthly Report for the International Investor

Herald Tribune. INTERNATIONAL

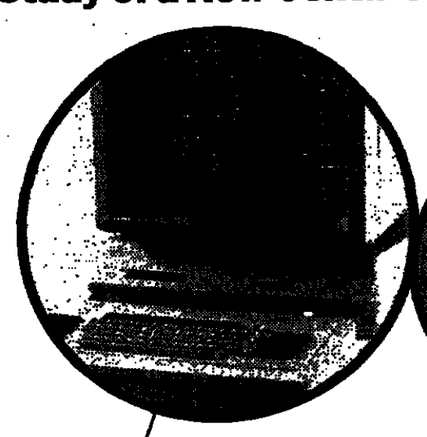
Monday, July 14, 1986

PERSONAL INVESTING

Valid Logic: Case Study of a New Venture

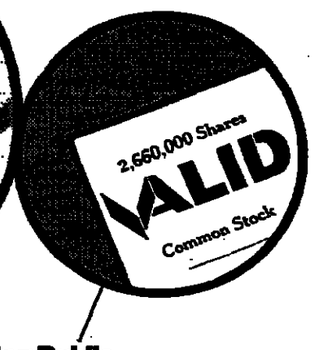
The Company

In early 1981, Jared Anderson, president of a minicomputer firm, recruits three scientists from Lawrence Livermore National Laboratory in California and a Hewlett Packard mechanical engineer to form Valid Logic Systems. They make conceptual breakthroughs that lay the foundation for the computer-aided design industry. In April, venture capital firms provide $2.6 million of financing and receive about 45 percent of the company.



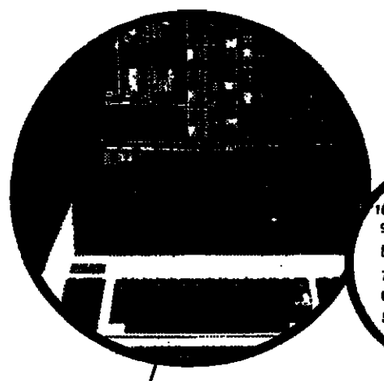
The Product

Valid's first products are introduced in 1982 and are well-received. Merrill Lynch Venture joins in a second round of financing which raises $7.2 million. Adjusted for a later split, Merrill pays $2.25 a share for a 7.6 percent stake.



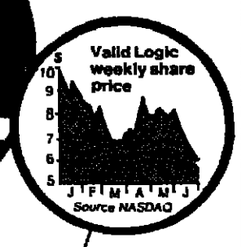
Going Public

In October 1983, Valid Logic goes public at $12.50 a share. It uses the $13 million in proceeds to expand manufacturing, sales and research and development efforts. The company has its first profitable year, posting earnings of $1.8 million.



Competition

Valid is hit by competition in 1985 from such firms as Daisy Systems and earnings slip. Merrill sheds about 50 percent of its holdings at $8 a share, more than triple the price it paid for the original shares.



Shares Slump

A general slump in the high-technology industry and continued competition take their toll. Valid's shares slip to about $8.

1981 1982 1983 1984 1985 1986

Venture Capital: A Few Funds for the Adventurous

By Leslie Whitaker

New York

FEW types of investors can match the glamorous image of the venture capitalists, the high rollers who bet on a business often when it is only a gleam in the eye of an entrepreneur. But since the end of the technology boom in 1983, venture capitalists have had difficulty matching the spectacular returns for which they are famous, and money has flowed into their private partnerships at a slower pace.

Despite the slowdown, some big investment firms are rolling out public partnerships aimed at individuals whose pockets are not as deep as those of the traditional venture capital partner. Sponsors of such public funds say they are allowing greater access to an investment opportunity that traditionally has been limited to institutional investors and wealthy individuals. Public partnerships require as little as $5,000 from investors, a far cry from the $500,000 to $1 million typically required by private funds.

The big selling point is the potential for big returns. Although the public partnerships are relatively new and have no meaningful track record, the private funds that dominate the industry have generated returns equivalent to 25 percent a year when compounded annually.

But some critics charge that sponsors are enticing individuals to play a game that they are ill-equipped to win. Many experienced venture capitalists doubt that ordinary investors can cope with the high risk and have the patience that this investment requires.

The emergence of public funds follows 1980 changes in U.S. securities regulations that previously limited venture capital funds to 35 investors. Merrill Lynch offered the first public venture fund, Venture Partners I, in 1982, raising $60 million to invest in high-technology startups.

Other investment firms have followed its lead, but there still are only a handful of public funds. Merrill Lynch is marketing a second fund, while PaineWebber just closed its first offering. Prudential-Bache Securities is on its third fund, and California-based Technology Funding is offering two other partnerships in addition to the three that it already manages.

The funds generally fall into two groups: those that invest in privately held companies and others that limit investment to research and development projects.

Because partnerships may last as long as 10 years and are structured to pay the bulk of any returns toward the end of the partnership, when successful investments go public, they require investors to meet certain net worth requirements. For example, Merrill Lynch limits its partnerships to individuals with a minimum net worth of $100,000, while Technology Funding is open to investors worth $40,000, provided they have an annual income of at least $40,000.

Like private funds, the public partnerships spread their risks over several dozen investments. The first few years are spent raising capital. The general partners can then spend several years wading through thousands of business plans to select opportunities. After finally choosing several companies or projects, it is then up to the general partner to nurture them with capital infusions and advice.

Unfortunately, only a very few start-ups will be blessed with success. Even private partnerships with impressive returns make money from only a third of

Continued On Page 14

Before Venturing

Make sure the fund has enough money. History has shown that funds with at least $60 million to $100 million are best equipped to spread the risk among many ventures.

General partners should be experienced in venture capital, not just management. Many institutional investors shy away from funds whose managers do not have a proven track record with start-ups.

Be wary of funds that spread their expertise too thin. On average, a fund should have at least one general partner to oversee every 10 to 15 companies.

Given the lengthy commitment and high risk associated with venture capital, experts suggest individuals limit this type of investment to no more than 5 to 10 percent of their portfolios.

FOCUS

apanese Stocks: he Value Debate

WHEN comparing stocks, few gauges are more frequently used by pros than the trusty price-earnings ratio, the price of an issue di- by per-share profit. Many money managers shun P-E stocks on the view that their prices already to reflect much of the upside potential and are erable to disappointing news. In investment jar- high P-E shares are more likely to be "overval- than low P-E shares.

is hardly surprising, then, that global investors' ional wariness about Japan, where P-Es have s been on the high side compared with other ets, has intensified in recent months. Interest rate nd a wave of buying by corporations and individ- flush with cash has pushed stock prices up nearly ercent this year even as corporate profits are ening. The result: the P-E for the Tokyo market whole hovers around 35 by some estimates, nearly that of other major world markets.

e market's ability to sustain such lofty P-Es by national standards when the Japanese economy in irst quarter suffered its first contraction since 1975 ounds analysts and revives an old question of her the usual measure of stock values have any ing in Japan. The Tokyo market "has gotten a larity which cannot be justified by what the omics suggest," contends Eyck Van Otterloo of ham, Mayo, Van Otterloo & Co., a Boston money agement firm, in a typical comment. "Some day, gners will find a reason to withdraw in droves that market."

N BROADER terms, it points up the difficulties for international investor in comparing world markets, given the vast differences in accounting financial reporting rules among major countries. d, Paul Aron, vice chairman of Daiwa Securities ica, a subsidiary of the big Japanese brokerage, oted these differences in taking issue with the ese P-E figures published by Morgan Stanley al International, whose monthly statistical report orld markets is widely used by global money gers.

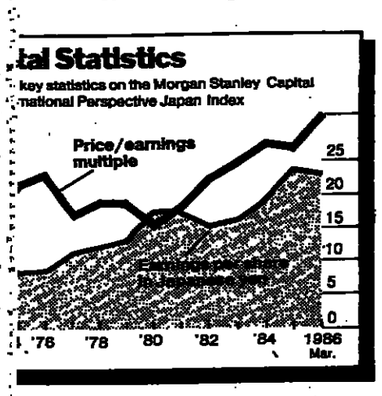
his view, U.S. and Japanese P-Es are not that far when a common standard of accounting is ap- Japanese accounting standards result in vastly rstated earnings compared with U.S. standards, gues, which would translate into lower P-Es. Mr. has compiled a long list of differences between and Japanese accounting standards, assessing for its impact on reported profits. For example, tes that Japanese companies are allowed to set up e variety of special reserve funds in anticipation ch developments at bad debts, retirement pay- s and pay bonuses. These reserves are "essentially ed earnings," he says.

ong other factors contributing to the understate- of Japanese earnings are differing methods of ting for the earnings of subsidiaries and accelera- depreciation, Mr. Aron says. In an April report, me to the conclusion that the P-E of the Japanese et, based on Feb. 28 figures, was only about 13.5 s 13.7 for the U.S. market.

ost followers of the Tokyo market agree that ngs there are understated, but few go as far as Mr. While Timothy Schilt, who follows Tokyo stocks Morgan Stanley, praises Mr. Aron's work as "inno- e and valid," he feels that the Daiwa analyst is ing some fairly aggressive assumptions."

ing further, Laura Luckyn-Malone, who man- the Japan Fund, a closed-end fund listed on the York Stock Exchange, contends that the whole n of P-E is "a foreign concept" to Japanese tors and has only limited use in evaluating the

Continued On Page 16



PDATE

he Indecisive Dollar

FIGURING out where the dollar is heading has never been easy and it's getting a lot tougher.

Some forecasters had worried that if the U.S. ral Reserve cut the discount rate in the absence of ar reductions by the West German Bundesbank Bank of Japan, the dollar would dive. But last sday's half-point cut to 6 percent, its lowest level the start of 1978, hardly stirred the currency ets.

nathan Francis, director of currency forecasting harton Econometrics in Philadelphia, traces the et's indecision to confusing signals by economic ators. The outlook for the dollar improved at the of May when the estimate for first-quarter eco- ic growth was revised upward to an annual rate of ercent. Later this was changed to 2.9 percent. larly, trade figures for April indicated that the r dollar was narrowing the U.S. deficit, but this ed to be contradicted by the May results. "It's ult to sort out what the message is," Mr. Francis

ven the lack of direction and the sluggishness of nertime markets, Mr. Francis sees the dollar uating over the next four weeks between just r 160 yen and 170 yen and between 2.16 Deut- marks and 2.35 marks. □

John Meehan

SOMETHING DIFFERENT

The Allure of Poster Art: History and Practicality

By Lynne Curry

London

IN 1893, Henri de Toulouse-Lautrec was commissioned to do a poster advertising a concert at a Paris cabaret, Divan Japonais. Still struggling for wider recognition for his impressionistic work and eager to earn some extra money, he readily agreed. Indeed, many artists of that era supplemented their meager income by painting posters to *advertise events or products.*

A century later — as with many of those artists — the results of Toulouse-Lautrec's part-time occupation generates excitement in the art world. Last year, his poster fetched $27,500 at a Chicago auction, just as similar works by other major artists command high prices.

Over the past 10 years, posters have come to represent a legitimate expression of art. And with the number of collectors growing, prices in the three major markets — New York, Paris and London — have soared.

"A poster that would have sold for £10,000 ($15,300) to £12,000 in 1983 might well expect to fetch £30,000 to £40,000 now," says John Horwich, an associate director at Christie's in London. He adds, however, that "it's a new collecting field which can possibly serve someone well as a long-term investment, providing he can spot something that might be attractive at a later date."

Indeed, posters are a less expensive alternative to the better known works of famous artists. "They are cheaper than paintings," notes Francis Frost, an expert on posters for Phillips Auctioneers in New York.

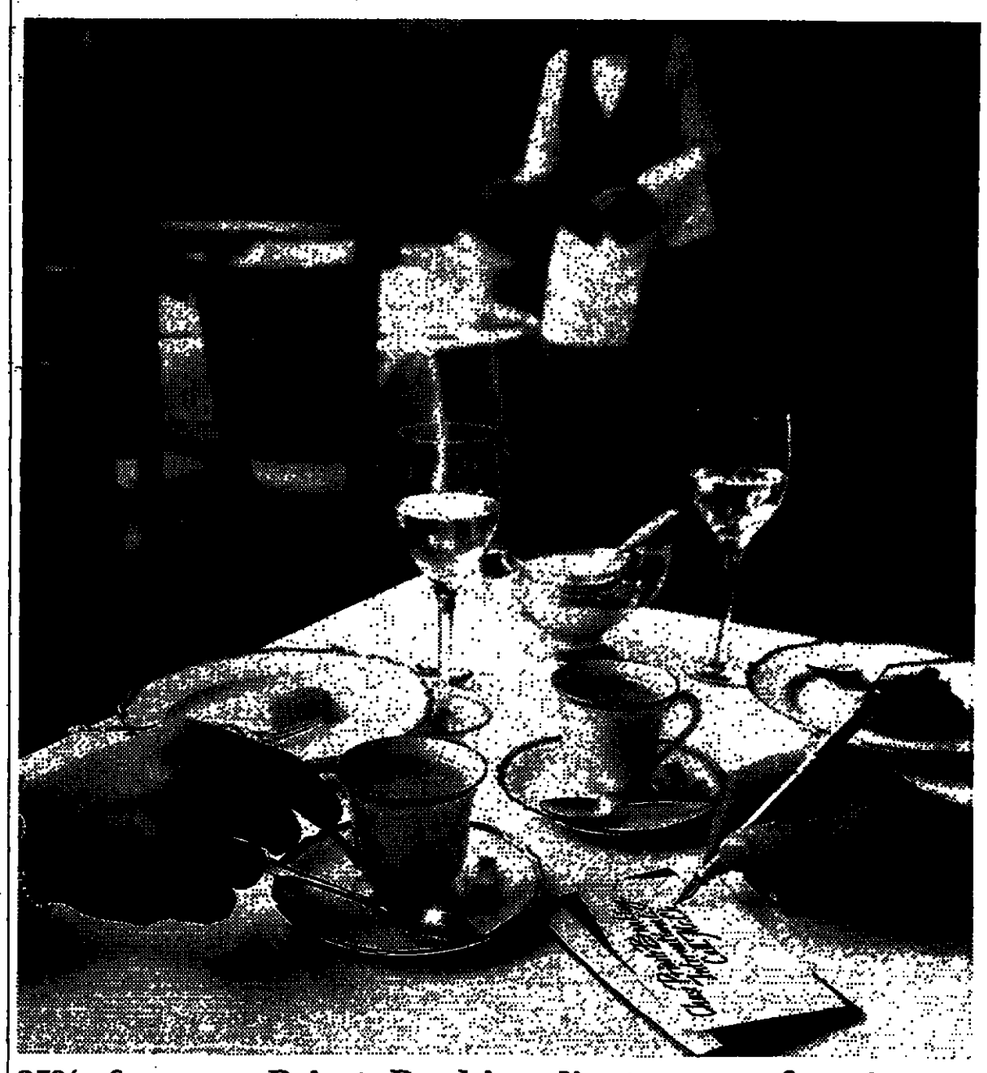
Moreover, he says, collectors also like posters because they have an historical appeal and tend to be big and graphically striking. "People like buying something that covers a lot of wall space," he says.

Elaborate posters first became common sight in Paris in the late 19th century as theater and cabaret owners, merchants

Continued On Page 14

A rare lithographic poster by Jean Cocteau with Nijinsky in 'Le Spectre de la Rose.'

Courtesy of Sotheby's



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Three Hot Areas for Venture Capital Funds

Biotechnology: Tagging Bacteria

VENTURE capitalist David Silver has always kept a close eye on Los Alamos National Laboratories in California, looking for technology that might have commercial applications. And in 1983, his watchfulness paid off.

At the time, scientists at the lab were developing a diagnostic technique called "multiple light scattering," a method to identify bacteria by the way it reflects polarized light. If perfected, the technique would enable physicians to identify organisms in less than 20 minutes and allow immediate treatment with the appropriate antibiotic.

It was the kind of biotechnological breakthrough that would undoubtedly have widespread application, so Mr. Silver got together with a partner and in 1983 formed Mesa Diagnostics in Albuquerque, New Mexico. The company then purchased exclusive rights for the commercial development of the new technology from the government.

The partners poured $400,000 of their own money into the company during the first year and a half. But when they realized that they needed a huge infusion of capital to successfully develop and market the technology, they decided it was time to attract other venture capitalists.

The two Prutech partnerships, public funds sponsored by Prudential Bache, contributed a total of $6.3 million to the company in exchange for rights to the technology. When the diagnostic process is perfected, the funds will license the technology back to Mesa for marketing. The founders also are trying to raise another $3 million to $5 million for product testing at university hospitals this autumn. □

A hospital in Houston, Mississippi, managed by National Healthcare.

Specialty Stores: 'Staples' Story

FOR Thomas Stemberg the future is a lot clearer than it was last autumn when he teamed up with Leo Kahn to form Staples, a company that sells discount office supplies. The former supermarket executives opened their first "superstore" in Boston last May with $4.4 million in seed money from venture capitalists in return for about half the company, and they are expecting a second round of financing for expansion.

Mr. Stemberg plans to open three stores by the end of the year and a dozen more by then end of 1987. He hopes to take the company public in 1988 or 1989. "Its every entrepreneur's dream to become a large public company," he says. "We're no different."

The success of Staples best explains why venture capitalists are eager to invest in the area of speciality retailing. Stores that target specific, upscale consumer groups are better prepared to withstand changing economic climates and are well received in the stock market these days.

Mr. Stemberg and Mr. Kahn considered a variety of merchandise categories but chose office supplies because it was "a fast-growing area with a high price umbrella." Staples caters to small white-collar businesses, such as law and accounting firms and medical practices, offering customers 4,000 items ranging from computer software to paper clips. □

Health Care: Rural Success

STEPHEN Phelps, a former hospital administrator, turned his solution to the shortage of medical care in remote areas into a multi-million dollar company five years ago when he and two partners founded National Healthcare Inc.

Based in Dothan, Alabama, the company specializes in health care services for rural communities. It is one of a growing number of private health firms which some observers believe can operate more efficiently than public or nonprofit facilities, a big selling point in the current climate of spiraling costs.

"Nobody was addressing the problems of rural health care," says Mr. Phelps, explaining the rationale behind his company. "We saw the opportunity and took advantage of it."

At first, Mr. Phelps and his partners raised money from friends and neighbors and later turned to venture capitalists in 1984 for $5.5 million to finance the company's expansion. Venture capitalists exchanged their share of the company with a second round that raised $5 million. This amount, Mr. Phelps says, "went straight into the founders' pockets."

Today, National Healthcare operates 36 facilities including acute-care hospitals, nursing homes, emergency medical services, home health-care agencies and retirement housing. In the last fiscal year, the company earned $4.5 million on revenues of $71 million. Estimated revenues for the next fiscal year are $252 million.

The company went public last November at $9 a share and raised $46 million from selling stock and debentures. A second public offering in April raised another $26 million.

Fritz Allen and Rod Hilton, Mesa vice presidents.

A Few Funds for the Adventurous

Continued From Page 13

their investments. Another third go belly-up and the remainder merely break even.

Peter Santeusanio, who helps screen opportunities for Hambro's International Venture Fund, a private partnership for institutional investors, acknowledges that the potential for any new company is difficult to measure and that venture capital funds must be prepared to deal with misfires.

He recalls how in 1982, Hambro invested in Florida Data Corp., a computer printer manufacturer, only to see it fall victim to Japanese competition. He now classifies the company as "among the living dead." In this case, Hambro will try to capitalize on Florida Data's tax losses by merging it with a profitable venture.

In return for that kind of expertise, general partners charge a management fee that ranges from 2 percent to 2.5 percent a year and take about 20 percent of the profits when the partnership expires. Aside from royalty payments and tax write-offs available with funds that specialize in research and development, the payoff for investors, or limited partners, does not come until the companies that the fund has invested in go public.

Going public is not as easy as it used to be, however. The diminished appetite for initial public offerings since a glut of high-technology companies swamped the market in 1983 has forced many private partnerships to carry some investments for longer periods than originally anticipated.

Not surprisingly, a growing number of funds are diversifying their portfolios. Nowadays, managers are betting on start-ups involved in biotechnology, health care, telecommunications and specialty retailing.

Many firms also are choosing to finance less risky investments, such as leveraged buyouts, or are limiting their involvement to second-round, or mezzanine financing when the prospects for a company are clearer. Last year 77 percent of the money distributed by venture capitals was classified as "follow-on" financing, up from 66 percent in 1983, according to Venture Economics, a consulting firm based in Wellesley, Massachusetts.

In its second public fund, Pru-Tech Research & Development Partnership II, Prudential-Bache invested most its capital in the projects of established companies. For investors in PaineWebber R&D Partners, managers placed a quarter of the funds in zero-coupon bonds, which guarantees that 70 percent of the original investment will be returned even if all of the projects fail. "I'm not sure that straight venture investing is a game that individual investors should play," says Jack Rivkin, president of the venture capital division of PaineWebber Capital Inc.

These changes fall far short of resolving all the uncertainties. Proposed tax revisions may hinder funds that specialize in research and development, although Prudential-Bache says that 75 percent of the returns generated by past partnerships were earned from royalties, not tax benefits.

Moreover, the track record of venture capital is far from sterling. A number of venture firms have closed down; many more have logged unimpressive returns. Venture capital firms attracted $3.3 billion in new investment last year, down from 1983's peak of $4.5 billion when the marketplace was enchanted with high-technology companies, but still almost double the average raised in the years before.

"A lot of people are getting sucked in by the hype," says Arthur Marks, a partner of New Enterprise Associates, a Baltimore-based venture capital firm.

Mr. Marks worries that unsophisticated investors will not want to part with their money for a decade and may therefore "get abused and give venture capital a bad name." Indeed, most sponsors say that they will try to find a buyer if a limited partner wants out, but there is no obligation to do so and no organized secondary market.

Critics also are concerned about the high front-end costs associated with the funds. In addition to the management fees, investors also have to pay sales commissions and start-up costs. In the case of Prudential-Bache's Prutech II, there is a 8.5-percent sales commission and a 3-percent fee for evaluating and selecting projects.

Given the high expenses, some financial advisers suggest that individuals wait until there are more funds to choose from and fees become more competitive.

But this could mean a very long wait. Many venture capital firms have been reluctant to offer public partnerships because of extensive reporting requirements and the likelihood of attracting unsophisticated investors. Says Jane Morris, editor of Venture Economics' Venture Capital Journal, "The last thing they want to do is go public."

Many venture capitalists doubt ordinary investors can cope with the high risk.

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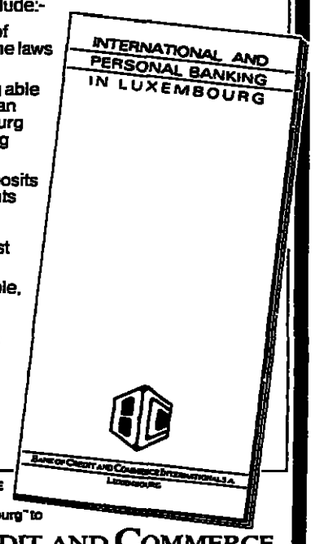

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SOMETHING DIFFERENT

The Bold Graphics of Poster Art

Continued From Page 13

and tradesmen sought a more effective method of advertising their wares and establishments. They turned to artists to create striking lithographs that were painstakingly reproduced in limited numbers.

Most experts trace the art of making posters to Jules Chéret, a Parisian artist who worked in the 1860s. He perfected the use of color in lithographs by the 1880s and his technique heralded what later was called Paris' golden age of the poster, which lasted until the turn of the century.

Over the years, posters have been used to depict all kinds of subjects including railways, ships, cars, films, circuses, and cigarettes. But by far the most popular fall into categories that illustrate two distinct styles: Art Nouveau, dating from 1880 to 1920, and Art Deco, from 1935 to World War II.

The most valuable poster are those by famous artists. Aside from Toulouse-Lautrec, works by the Austrian painter Oscar Kokoschka are in demand. Pierre Bonnard, the French painter recognized for his use of color, also created posters in the 1890s, his most famous, "France-Champagne" depicting a young woman surrounded by bubbly foam billowing over from her champagne glass.

Posters by Alphonse Mucha, a Czech painter who so epitomized the Art Nouveau style, also are sought after. Mucha was discovered virtually overnight in the late 1890s when he began doing posters of the famous French actress Sarah Bernhardt.

The prices of all posters are determined by three basic criteria: condition, artist, and subject matter. Like any collectible, condition is the most important. Experts say a torn, faded, or folded poster usually is not worth buying. Rarity is another factor. Some posters were mass produced as technicians developed mechanical shortcuts in lithography.

Potential investors also are advised to be on the lookout for fakes. Many early posters were huge, often printed in sections that were then assembled on a linen or canvas backing. By contrast, counterfeits sometimes are printed in single pieces.

Courtesy of Christie's

Toulouse-Lautrec's lithograph for Divan Japonais.

Japan Fund Shares

A reference in the April 14 Personal Investing section to the share price of the Japan Fund, a closed-end fund traded on the New York Stock Exchange, should have noted that there have been splits and other changes in shares. According to Scudder, Stevens & Clark, which manages the fund, $1 invested at the fund's inception in 1962 would have been worth $44 at the end of March.

RSES

New Twist in the Convertible Bond Market

By Edith Cohen

New York

ORPORATE borrowers, looking for new ways to attract investors, are putting a new spin on old concept by offering bonds that eventually can be swapped for stock — not as in conventional convertibles, but stock company.

2 or so of these so called "exchangeable s" exist, but about half a dozen more are in g stages and they have been getting more ately as investors take a closer look at es now that stock prices seem too high and ds look too low.

geable bonds closely resemble ordinary es. They can be converted into a fixed f shares of common stock when the stock certain price. In return for this option, an ccepts a lower yield than similarly rated r example, a recent exchangeable offer by lost Corp. of Stamford, Connecticut, which specialty retail outlets and convenience ried a 6.5-percent coupon, while a straight ring by the same company a few months 12.5 percent.

eal of exchangeables is obvious. They offer to the investor if the price of the stock interest on the bond will continue to be high, compared with the straight dividend ck. "And if the stock does well you get the y on the upside," notes Lee C. Hamilton, rtfolio manager for First Asset Manage- investment arm of First Bank of Minne-

geables, however, differ from conventional es in key ways. For example, U.S. investors ital gains tax when converting into the nother company. This is not the case with al convertibles. Foreign investors general- subject to capital gains tax.

er, the nature of the instrument requires ework by investors because they have to lopments in two companies that can be two distinct businesses.

litworthiness of the issuer is one consider- ation, especially since such bonds often are subordinated debt and have limited claim on the issuer's income and assets in the event of serious trouble. A recent Eurobond offering by IBM, exchangeable into shares of Intel, was all the more attractive, says W. Theodore Kuck, managing director and portfolio manager at Equitable Investment Management Corp., because of IBM's credit standing.

But prospects for the underlying stock is the overriding concern because stock-price volatility is far more likely than bond default. "The worst case is if you buy one of these things and the stock doesn't perform. You received an interest rate below straight bond rates and you had equity participation disappear on you," says Preston Harrington, vice president for convertible research at Merrill Lynch.

Even though the stocks that issuers offer through exchangeables represent unwanted assets, they still may have market appeal. Such holdings often are the leftovers from a flirtation with a merger or acquisition. Sometimes they simply were bought with excess corporate cash as a relatively inexpensive stock.

For example, General Host's recent $110-million offering is exchangeable into shares of All American Gourmet, a frozen-food company that remains attractive but does not have a role in General Host's future plans, according to the company.

James C. Hull, General Hosts's controller, notes that if his company had issued its own stock, it would have diluted the value of its outstanding shares. If it had simply sold off the more than 6 million All American shares included in its offer, it would very likely have depressed the share price in the market.

"We can get a higher price in the long run if it closes higher at a future time," Mr. Hull says. Indeed, the bond has a conversion price of $16.25 a share, about 18 percent above its current market value.

Investors interested in exchangeables should be aware that they are priced above the market value of the underlying stock. Where the spread, or conversion premium, is narrow, the price of the bond will tend to mirror the movements of the underlying stock. A bond trading a wider premium will be more vulnerable to interest-rate changes, similar to a conventional bond.

As a result, Mr. Harrington says, the investor who is bullish on the stock market is better off buying the exchangeable with the smaller premium. The investor who is bearish on stocks and bullish on bonds ought to go for the bigger premium.

LIKE ANY convertible, exchangeables also are subject to unexpected "calls," or redemptions before its scheduled maturity. "We're in a period now where interest rates have come down and we are seeing some convertibles redeemed for refunding to force conversion," Mr. Harrington says.

First Asset's Mr. Hamilton points out that convertibles traditionally have matured in three years, but many of the recent exchangeable issues carry what are termed provisional call features, timed to be callable in six months, allowing companies to reduce interest expense and clear up their balance sheets.

Mr. Hamilton, who pays particular attention to the price-earnings ratio of the company whose stock is being offered, believes that the General Host offering "is a little bit rich" since All American has a relatively steep P-E of 30, projected at 20 for next year. Instead, he likes the Corning Glass bond exchangeable into Owens-Corning with a P-E of 8.

The InterNorth bonds exchangeable into Mobil are, Mr. Hamilton says, "probably the best quality in the energy group in terms of exchangeable coupons available. It's a defensive way to play the market with energy prices coming down."

Mr. Kuck, at Equitable Investment Management, likes the General Cinema exchangeables as "an attractive way to hold RJR Nabisco stock," especially since General Cinema has said that it has no intention of calling the bonds. And he also picks the Petrie Stores bonds exchangeable into shares of Toys "R" Us, which, he says, offer solid call protection, a nice yield and a nominal premium. □

Exchangeable Debentures

Bond	Current Yield	Convertible into stock of	Premium over conversion value
Cigna 8.5%, due 2007	7.7%	PaineWebber	32%
InterNorth 10.5% 2008	9.6%	Mobil	39%
Petrie Stores 8% 2010	5.7%	Toys "R" Us	2%
Petrie Stores 7.5% 2010	5.1%	Toys "R" Us	3%
United Telecom 9.75% 2010	8.1%	Southern New England Telephone	19%

Yields and premiums are as of close of trading on June 30. Premium is the percentage by which bond's current price exceeds the value of common shares it can be converted into.

Source: Value Line Convertibles

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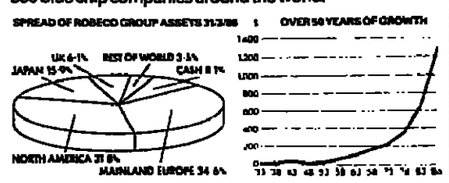

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tual Fund Leaders Cash In on a Surging New Issue

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New York

HE two top-performing mutual funds in the United States in the second quarter had one common: they rode to chiefly on the soaring ome Shopping Network hottest" new issue of this me Shopping, a cable retailer, went public on $18 a share and closed 30 at $95.375 on the Stock Exchange.

Shopping was the dra- t for us," acknowledged th Heebner, portfolio f Zenith Fund-Capital Boston-based fund that otal return of 38.28 per- he latest three months. ck is 20 percent of our

vaukee, Richard Strong, io manager of Strong uity Fund, said that opping "represents our sition and our best win- s fund, which began op- n Jan. 1, scored a total 31.79 percent for the

y of 526 equity mutual funds by Lipper Analytical Services showed an average return — market appreciation plus reinvested dividends — of 5.15 percent. This compared with a 5.89-percent gain for Standard & Poor's 500-stock index.

In more specialized categories — Lipper monitors 1,008 funds of all types — the health care group turned in the top performance with a return of 13.55 percent. This reflected the buoyant action of biotechnology issues.

International funds that invest only in foreign stocks ranked second among the sectors with a return of 8.78 percent. The falling value of the dollar against foreign securities continued to benefit these funds.

Gold-oriented funds — down 8.03 percent on average — comprised the only sector producing a negative return during the quarter.

The poorest performers were two funds investing almost exclusively in South African gold stocks. Strategic Investments Fund showed a minus return of 20.82 percent, while United Services Gold Shares fell 18.83 percent.

For all of last year, the same funds also ranked as the worst performers in the fund industry, reflecting both a decline in the value of South Africa's currency, the rand, and a drop in the gold stocks themselves.

The value of gold-stock portfolios tends to swing with the inflation cycle. In the five years ended in 1983, for example, United Services and Strategic Investments ranked as the nation's top-performing funds, both with a total return exceeding 500 percent.

The second quarter of 1986, however, was clearly a period that favored certain small mutual funds with aggressive growth as their investment objective. A relatively small size provides these funds with an opportunity for leverage.

Mr. Heebner's fund, with $5.8 million under management, actually is a variable life insurance produci offered by New England Mutual Life Insurance Co., which owns a majority of Loomis Sayles, the fund's investment adviser.

THIS means that you go through a New England Life agent in order to purchase shares of the fund," he explained. He also manages four other funds with assets totaling $800 million.

"I concentrate on companies which I think have dramatic appreciation potential based on their earnings outlook," Mr. Heebner said. "In addition to Home Shopping, I have 15 percent of the portfolio in three specialized trucking companies — M.S. Carriers, JB Hunt Transportation and Werner Enterprises."

Strong Opportunity Fund tends $18 million in assets. "We were lucky in our timing," Mr. Strong said. "Almost everything we touched turned to gold."

In addition to large companies such as Celanese and Ralston Purina, the portfolio contains such lesser-known issues as Conseco Inc., a life insurance holding company, and Fretter Inc., a retailer of home entertainment products.

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How Mutual Funds Performed In Second Quarter

Funds showing largest percentage gains and declines in net asset value for investors who reinvest, with income dividends and capital gains reinvested.

Gainers		Losers	
Zenith Fund-Capital Growth	+38.28%	Strategic Investments	-20.82
Strong Opportunity	+31.79	U.S. Gold Shares	-18.83
Baird Capital Development	+23.73	American Heritage	-18.00
Investors Research	+23.16	First Investors Natural Resources	-16.32
Bull & Bear Special Equity	+22.05	Sherman, Dean Fund	-14.96
Twentieth Century Vista	+20.94	Franklin Gold Fund	-14.00
Twentieth Century Gift	+18.62	Fidelity Select Precious Metals	-13.09
Equitec Siebel Aggressive	+18.61	Vanguard Specialt Gold	-12.01
Pacific Horizon Aggressive Growth	+18.56	Strategic Silver	-11.24
Great Pacific Growth Fund	+18.20	Industry Fund of America	-10.66
		Keystone Precious Metals	-10.73

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SFr.		5.063	4.38
	$	1.47	0.50
	$	3.46	0.00
	$	2.10	0.00
	$	2.09	0.60
	£	1.63	2.00
	£	1.18	9.50
ncome	$	1.13	9.50
Bond	Yen	2277.00	2.50
Fund	£	1.43	0.60
	ECU	1.08	8.09

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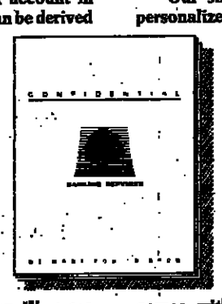

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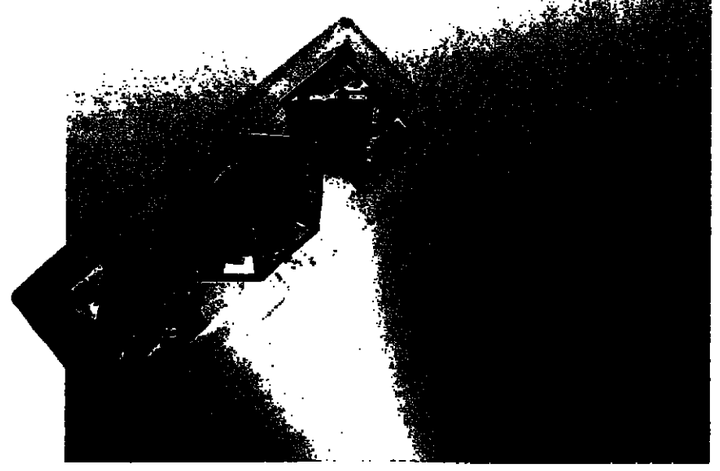

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PROFILE

Al Frank: It Pays to Be a Lover, Not a Fighter

By Edward Rohrbach

Santa Monica, California

Al Frank

AL FRANK doesn't buy the old Wall Street admonition against falling in love with your stocks. "But it has to be true love," intones Mr. Frank, a tall, 275-pounder who accentuates his bulk by wearing loud shirts.

"In true love, you give everything without thinking of manipulation or control," he says. "Patience and understanding drive out fear and greed. People who really love the stock market do best. The stock market loves them back."

There is little doubt that Mr. Frank's affair with the market has been a many-splendored thing. The Prudent Speculator, the newsletter he edits here five blocks from the beach, has been the top performer over the last six years among market advisory letters, more than doubling the roaring advance of Standard & Poor's 500-stock index and far outdistancing its nearest competitor. That record is especially impressive in view of the overall record of investment advisory letters, two thirds of which have lagged the general market this decade.

But his ardor for the stockmarket does not blind Mr. Frank to its treacherous ways. He uses the word "speculator" for his publication to emphasize the point that "all so-called investing in stocks and bonds is speculating" because people are trying to "enhance present capital through anticipation of future events." It is euphemistic, if not starry-eyed, he says, to call this investing.

In fact, his method leaves little room for sentiment. Using a computer to track about 600 companies, he focuses on the fundamental relationships revered by value-oriented investors. Central to his approach are three-year projections for such data as price-earnings ratios and return on equity to gauge whether a stock is undervalued.

"Then either of two things can happen to qualify a stock as a recommendation," he explains. "The price can go down to where it's selling for half valuation, or the valuation can rise to twice the stock's current price. When the lines cross, it's a buy."

He cites the case of Humana, a hospital-management company that along with other stocks in the group has been a poor performer on Wall Street over the last few years, after tremendous earlier gains. Recently, Humana dropped in price to less than half the $51 a share he projects it will be worth in three years and became a buy for the Prudent Speculator.

Another plus, he says, is that hospital management stocks have been "beaten down" and the companies restructured. That is the kind of judgment he calls "informed intuition," adding that he "can't quantify all the factors" that go into stockpicking. In any case, Mr. Frank isn't fickle. He usually holds individual issues three to four years.

Mr. Frank, whose self-described "checkered" past includes running a print shop and working in Vegas shill, says he has learned that "very few think clearly or logically," with much of the wisdom about Wall Street being nothing but half-truths.

Take the old chestnut that "nobody ever broke in the stock market taking a profit." Mr. says the "counter-example" is accurate: "ever made money on Wall Street taking small and big losses."

Another popular saying is that "trees don't the sky," meaning that a stock's price does going up indefinitely. Yet, he says, "some Likewise, he can find exceptions to the Wall proverb about greed that goes, "bulls and bea money, but the pigs get slaughtered." Frank: "Some pigs get fat and filthy rich."

Indeed, Mr. Frank attributes his success distance he has kept from Wall Street's bro and investment houses. The performance of professional money managers, such as those trust departments, is "mediocre — to be char he says. At the same time, he is capable mockery about newsletter-writers: "People are ing for experts, and we're unconscionable enc present ourselves as such."

The best teacher, says Mr. Frank, remains ex ence. "I had the good fortune to lose money first few trades," he says, twirling a cigar. "You learn much from winning."

Picks from the Prudent Speculator

ISSUE	BUSINESS	STOCK PRICE JULY 8
Humana	Hospital management	$25.75
Financial Corp. of America	Savings and loan	$8.75
Golden West Financial	Savings and loan	$41.25
Far West Financial	Savings and loan	$15.50
Gibraltar Financial	Savings and loan	$12.50
Southmark	Real estate services	$9.75
Chrysler	Automaker	$35.75

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FOCUS

Debating the Real Value of Japanese Stocks

Continued From Page 13

White of First Boston, who oversees the firm's statistical publication on non-U.S. stocks, is "perhaps a less-than-relevant consideration for stock selection in Japan."

The Tokyo market does not seem quite so high-priced if an investor looks at some other measures of value, analysts say. Other gauges include share prices divided by cash flow, which is defined as profits plus depreciation. On a cash-flow basis, says Ms. Luckyn-Malone, Japanese stock prices are not that far out of line with U.S. stocks prices.

Investors also should keep in mind that, in many cases, only a small percentage of the outstanding shares of some major issues are actively traded, says Ms. Luckyn-Malone. A big chunk of a Japanese company's equity is often in the hands of regular customers and its banks, who seldom trade the shares. Thus, even modest amounts of buying can sometimes move prices up sharply. By some estimates, says Ms. Luckyn-Malone, only 45 percent of the share value of the Japanese market is actively traded.

Even with these allowances, the high values being place on many Japanese stocks are difficult to reconcile with economic developments, analysts say. It is hard to ignore that the P-E of the market has doubled over the last 10 years, while the annual rate of economic growth has slipped from a range of 8 to 10 percent to a range of 2 to 3 percent, says Mr. Schilt.

David Robins of the British brokerage Phillips & Drew says "there's nothing underpinning" the record P-Es of Japanese stocks and little hope of an improvement in corporate profits until next year.

In the long term, Japanese leaders' plan to shift the economy's emphasis from the export of manufactured goods to domestic consumption likely will take many years to accomplish, says Ms. Luckyn-Malone, despite the Nakasone government's resounding re-election victory. Even then, it is not clear that growth will return to the levels of the 1960s and 1970s.

In the shorter term, she also is worried by investors' recent rush into the shares of companies who are touted as having "hidden assets" such as real estate.

"Just in the past two weeks, it's taken a real turn for the worse in terms of quality," she says of the market. "At some point, you have to draw the line."

Such concern has led Mr. Van Otterloo to pare the portion of his international portfolio devoted to Japanese stocks to about 20 percent. "If anything, I'm going to bring it down further," he says. "The risk is getting extreme."

Still, money managers cannot ignore a market that accounts for about half the total value of world stock markets. Mr. Schilt says there still are opportunities among individual stocks, given the vast diversity of the Japanese market. "Beneath the surface, you could make a fortune," he says.

Among the domestic-oriented shares he favors are Aisin Seiki, an auto parts maker, and Orient Leasing, the largest leasing company in Japan. In the internationally oriented sector, he likes the big electronics and electrical gear makers: Hitachi, Toshiba, NEC, Hitachi and Matsushita. Other selections are Honda, the automaker, and Makita, which makes electric tools for woodworking.

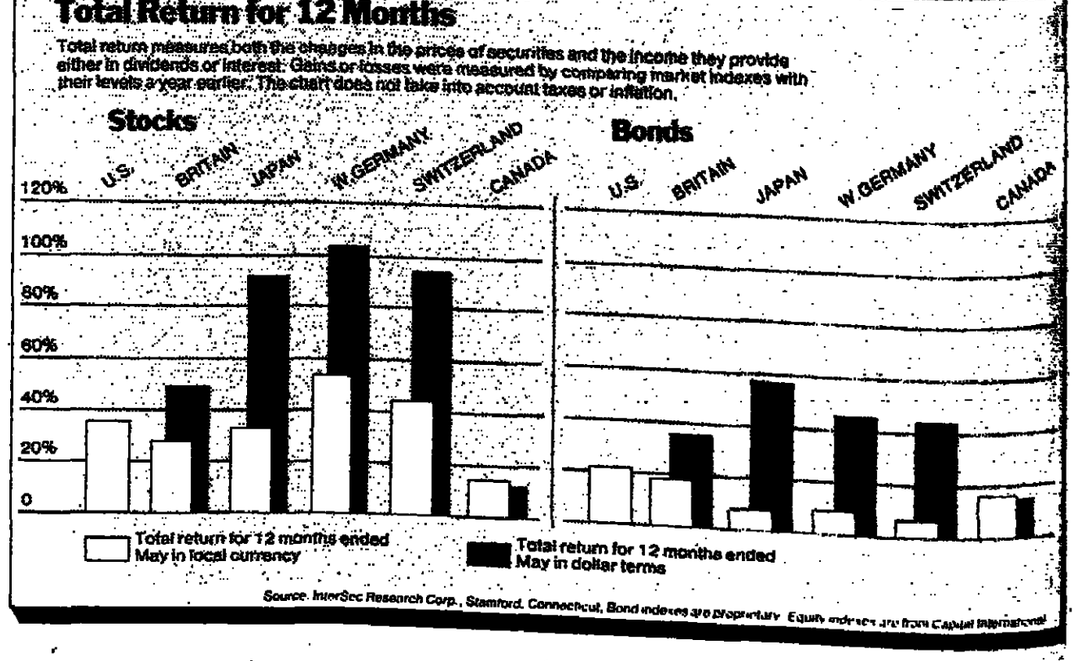
Market Scoreboard

Stocks on the New York, London and Tokyo exchanges that showed the largest percentage gains and losses in June.

	Percent Gain	Price June 30		Percent Loss	Price June 30
New York Stock Exchange: Compiled by Media General Financial Services. Prices in dollars					
Sanders Associates	85	53.75	Advanced Micro	25	20.00
Wayne-Gossard Corp.	45	25.00	Winnebago Industries	22	13.00
Imperial Corp. Amer.	40	16.25	Cullinet Software	21	12.88
Pueblo International	39	23.88	Teradyne	21	22.00
Fieldcrest Mills	39	85.00	Nat'l Semiconductor	20	11.75
Merabank Fed'l Savings	34	47.63	Ocean Drill & Expl	20	11.88
Associated Dry Goods	34	65.50	Hunt Manufacturing	20	28.75
Grt. Amer. First Savings Bank	33	23.25	Fischbach Corp.	19	26.25
ICN Pharmaceuticals	32	15.38	Slattery Group	19	22.38
Fin. Corp., Santa Barbara	32	17.00	Compugraphic Corp.	19	19.25
American Stock Exchange:					
MacGregor Sporting	53	15.25	Astrex	22	10.00
Home Shopping Network	49	95.38	Ducommun	21	20.88
Tempo Enterprises	49	18.75	Oakwood Homes Corp.	20	16.38
Glenmore Distilleries	48	37.00	Dataproducts	19	14.00
American Fructose B	47	14.13	Iroquois Brands	19	29.50
Over the Counter:					
C.O.M.B.	54	67.25	Digital Communication	31	17.00
Convenient Food Mart	52	17.50	BNH Bancshares	31	22.00
American List Corp.	48	18.00	Integrated Device	28	12.50
Olson Industries	44	36.00	American Ecology	27	26.25
Tyson Foods	43	36.00	Air Wisconsin Services	26	10.50
London Stock Exchange: Compiled by Morgan Stanley Capital International. Prices in pence.					
AE	67	250	Woolworth Holdings	17	690
Assoc. Newspapers	24	358	Delta Group	12	203
Pearson	24	558	Tricentrol	12	53
Kleinwort Benson	20	845	European Ferries	8	132
Reed International	17	972	Farnell Electronics	8	168
Cadbury Schweppes	16	187	Dee Corporation	8	235
Reuters Holdings B	15	503	Lex Services	8	367
Burman Oil	15	410	British Comm. Shipping	8	271
Hambros	15	248	Rio Tinto-Zinc	7	609
Mercury Int'l	15	853	Britoil	7	163
Tokyo Stock Exchange: Compiled by Morgan Stanley Capital International. Prices in yen.					
Ishikawajima-Harima	61	321	Casio Computer	11	1,480
Daishowa Paper	59	1,030	Showa Denko	11	379
Sagami Railway	49	770	Ezaki Glico	11	931
Nippon Gakki	40	2,140	Kyushu Matsushita	10	2,590
Nippon Kokan	35	191	Tokyo Electron	10	2,680
Brother Industries	34	828	Murata Manufacturing	9	2,170
C. Itoh	33	595	Inax	9	1,120
Japan Line	31	123	Shin-Etsu Chemical	9	1,170
Daimaru	30	728	Olympus Optical	9	1,180
Sumitomo	29	1,020	Sekisui Chemical	8	869

Total Return for 12 Months

Total return measures both the changes in the prices of securities and the income they provide either in dividends or interest. Gains or losses were measured by comparing market indexes with their levels a year earlier. The chart does not take into account taxes or inflation.



Source: InterSec Research Corp., Stamford, Connecticut. Bond indexes are proprietary. Equity indexes are from Capital International.

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Belgium	B.Fr.	10,700	5,800	3,200
Denmark	D.Kr.	2,300	1,250	690
Finland	F.M.	1,630	880	490
France	F.F.	1,400	760	420
Germany*	D.M.	560	300	170
Great Britain	£.	120	65	36
Greece	Dr.	20,000	11,000	6,000
Netherlands	Fl.	634	340	190
Ireland	£.Ir.	140	77	42
Italy	Lire	350,000	190,000	106,000
Luxembourg	L.Fr.	10,700	5,800	3,200
Norway*	N.Kr.	1,650	900	500
Portugal	Esc.	19,000	10,400	5,700
Spain*	Ptas.	26,500	14,600	8,000
Sweden*	S.Kr.	1,700	920	520
Switzerland	S.Fr.	490	270	148
Rest of Europe, North Africa, former French Africa, Middle East	$	400	200	120
Rest of Africa, Gulf States, Asia	$	550	300	165

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14-7-86

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

(Continued)

Stock	Div.	Yld.	Sales in 100s	High	Low	Close	Net Ch'ge
[illegible]							

Chicago Exchange Options

Figures as of close of trading Friday.

Option & price	Calls			Puts		
[illegible]						

Total Volume: 562,084
Open Interest: 4,236,530
r—Not traded. s—None offered. o—Old.

Last Week's NYSE

NYSE Most Actives

	Vol.	High	Low	Last	Chng.
CentE n	111556	25⅛	24⅝	25⅛	—⅛
Safewy	102313	58½	52⅛	57⅛	+2⅝
PanAm	89268	7⅛	5⅞	6½	+⅝
IBM	85548	148⅝	141¼	143⅜	—5⅝
AT&T	74995	25⅛	24	24½	—½
ITT Cp	70240	58	53	56⅝	—1⅞
PanhEC	62803	50¼	46½	49⅛	+⅞
PhilMr s	62082	75	69⅝	73⅝	—2⅝
Sears	62195	48⅛	43⅛	43⅝	—4½
CocaCl s	61592	43⅞	39¾	41½	—2
Sandr	61230	62½	53⅞	62¼	+7¼
AsdDG s	56176	66⅛	64⅝	65⅜	—1½
MerLyn	55178	37⅝	32⅞	35⅝	+⅝
Sperry	53883	75⅝	75	75⅝	
K mart	53211	56	50⅝	53½	—2⅝
NL Ind	49530	15⅞	14¼	15	+⅞
PepsiC s	49380	35⅝	30½	32	—3
GenEl	47823	80⅝	74½	76¼	—4
USX Cp	46171	20⅛	19	19⅝	—1
BaxtTr	45630	18⅝	16⅝	17⅞	—⅛
Digital s	44714	90½	82⅝	88⅝	—½
UCarb s	43538	24⅛	22⅛	23½	—⅝
Chaus n	42765	25⅝	21⅞	24⅛	
Texaco	41509	31	29⅞	30	—1
AmExp	40808	62⅛	58⅛	60	—2

NYSE Sales

	Sales Vol.
Total for week	725,880,000
Week ago	541,060,000
Year ago	533,960,000
Two years ago	399,910,000
Jan 1 to date	18,494,326,981
1985 to date	14,272,230,000
1984 to date	12,164,080,000

NYSE Diaries

	This Wk	Last Wk
Advanced	546	1177
Declined	1475	756
Unchanged	173	247
Total Issues	2194	2180
New Highs	111	324
New Lows	112	46

Treasury Bills

Figures as of close of trading Friday

Hi	Lo	Mat		Bid	Ask	Yld	Chg
7.28	5.58	Jul	17 86	5.60	5.50	5.58	+.02
7.27	5.62	Jul	24 86	5.64	5.62	5.71	+.02
7.26	5.51	Jul	31 86	5.46	5.40	5.49	—.05
7.67	5.53	Aug	07 86	5.65	5.61	5.71	+.12
7.77	5.47	Aug	14 86	5.49	5.45	5.55	+.02
7.17	5.61	Aug	21 86	5.50	5.46	5.57	—.11
7.06	5.61	Aug	28 86	5.56	5.52	5.63	—.05
7.64	5.64	Sep	04 86	5.67	5.65	5.77	—.06
6.60	5.74	Sep	11 86	5.68	5.64	5.77	—.08
6.56	5.76	Sep	18 86	5.72	5.68	5.82	—.04
6.49	5.71	Sep	25 86	5.70	5.64	5.78	—.01
7.52	5.83	Oct	02 86	5.76	5.72	5.87	—.09
6.51	5.82	Oct	09 86	5.75	5.73	5.89	—.10
6.52	5.81	Oct	16 86	5.74	5.72	5.89	—.09
6.52	5.85	Oct	23 86	5.77	5.73	5.90	—.08
7.51	5.78	Oct	30 86	5.79	5.75	5.93	—.06
6.53	5.86	Nov	06 86	5.78	5.74	5.93	—.08
6.54	5.86	Nov	13 86	5.78	5.74	5.93	—.08
6.57	5.85	Nov	20 86	5.78	5.74	5.94	—.07
7.41	5.83	Nov	28 86	5.80	5.76	5.97	—.08
6.57	5.86	Dec	04 86	5.79	5.75	5.97	—.07
6.22	5.86	Dec	11 86	5.80	5.76	5.98	—.06
6.21	5.84	Dec	18 86	5.77	5.73	5.96	—.07
7.40	5.76	Dec	26 86	5.79	5.75	5.99	—.07
5.95	5.85	Jan	02 87	5.78	5.74	5.95	—.08
5.89	5.89	Jan	08 87	5.81	5.76	6.04	—.08
7.27	5.83	Jan	22 87	5.88	5.76	6.04	—.08
7.16	5.83	Feb	19 87	5.83	5.79	6.05	—.05
6.62	5.82	Mar	19 87	5.82	5.78	6.05	—.07
6.63	5.79	Apr	16 87	5.87	5.83	6.13	—.07
6.42	5.93	May	14 87	5.86	5.82	6.13	—.07
6.50	5.89	Jun	11 87	5.85	5.81	6.14	—.10
5.92	5.92	Jul	09 87	5.82	5.80	6.15	—.10

SELECTED U.S.A./O.T.C. QUOTATIONS

	BID	ASK
MAG Holdings	2⅝	3
Bitter Corp.	4	4⅜
Modulaire	10⅜	12
Mr Gasket	6⅞	7¼
Rodime	7¼	7½

WITH COMPLIMENTS OF CONTINENTAL AMERICAN

These prices are as of July 10, 1986

Last Week's AMEX

AMEX Most Actives

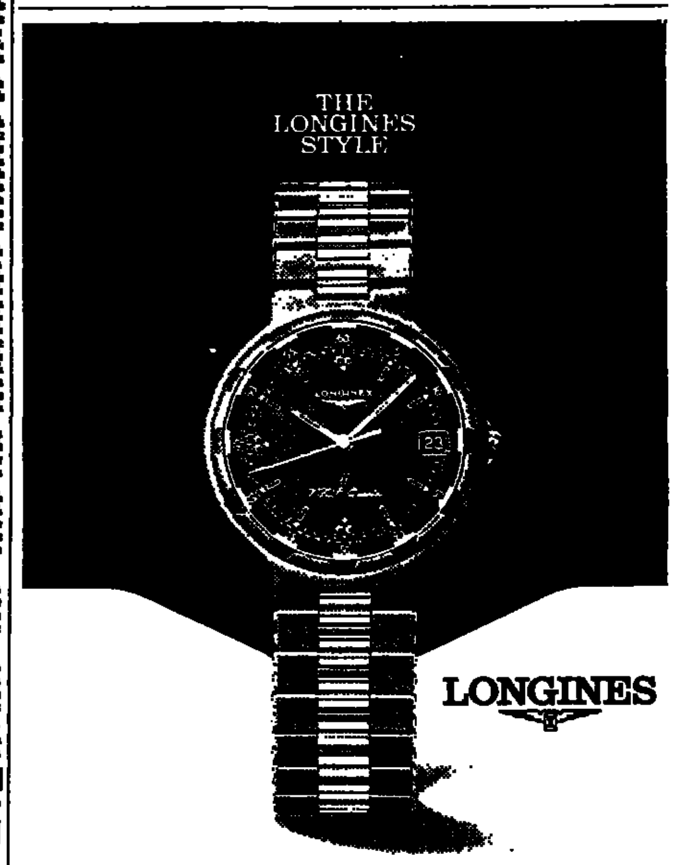
	Vol.	High	Low	Last	Chng.
Wickes	79444	6	5	5⅝	—⅛
WangB	23961	15	13½	13⅝	—1⅛
Harley n	13348	13⅝	11	13⅝	
BAT	12616	6½	6	6⅝	—⅛
LorTel n	11016	29⅛	24⅝	27⅛	—2½
AM Intl	8320	7⅛	6½	6⅝	+⅛
Comtm n	8038	11⅞	10⅛	10⅛	
TexAir	7362	34½	30⅞	32⅛	—2⅛
Hasbro	7361	58	52½	53⅞	—4⅛
FAusP n	7097	8⅛	8¼	8½	
PhilLD	6497	7⅞	6⅛	7⅛	+⅛
Dillrd s	6610	41⅝	39¼	39⅝	—2⅛
PricCm	6289	12½	10⅝	11½	—¼
ICH s	5949	31	28	29	—1⅞
HmHar	5445	13⅝	12⅝	13⅛	—⅝
MacGrg	5144	17⅛	14¼	14⅝	—⅝
HmeG n	5134	26⅛	24½	25	—¼
IntBknt	4909	10	8½	9⅛	—⅜
Delmed	4871	1¼	1⅛	1¼	+⅛
NYTimes	4830	79½	71	76⅝	—2⅝
Halml	4450	5⅛	4¼	4⅞	—½
Amdahl	4401	17⅞	16⅛	16⅝	—1⅛
WDigitl	4408	13⅞	12⅝	13⅛	—½
CoreE A	4031	6½	5⅛	5½	—1
EchoB g	3943	15¼	14⅛	14⅞	—⅛

AMEX Sales

	Sales Vol.
Total for week	58,560,000
Week ago	46,750,000
Year ago	30,480,000
Jan 1 to date	1,734,720,000
1985 to date	1,095,140,000
AMERICAN BONDS =	
Total for week	14,110,000
Year ago	13,960,000

AMEX Diaries

	This Wk	Last Wk
Advanced	202	414
Declined	481	354
Unchanged	124	153
Total Issues	827	921
New Highs	28	78
New Lows	57	32



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INTERNATIONAL POSITIONS

You will find below a listing of job positions published last Thursday under the rubric International Positions.

TITLE	SALARY	EMPLOYER
TRADUTORES E TRADUTORES ADJUNTOS		A Comissão das Comunidades Europeias.
TRADUCTORES Y TRADUCTORES ADJUNTOS		La Comision de las Comunidades Europeas.
SALES MANAGER		Leading manufacturer of hydraulically operated industrial maintenance tools.
SALES REPRESENTATIVES		CIS Corporation.
GENERAL MANAGER		International Omani Company.
ASSISTANT TELECOM ENGINEER (Instructor)		NATO.
GENERAL MANAGER & ADMINISTRATIVE OFFICER		ICRISAT.

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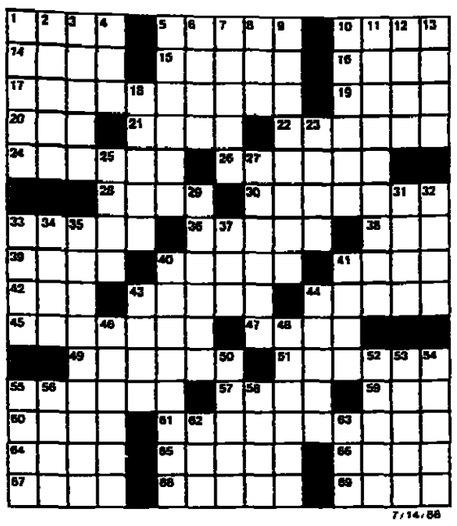

7/14/86

ACROSS

1 Take a risk
5 Blood of the gods
10 Thailand, formerly
14 Exude
15 Feature of a lariat
16 Ruin
17 Alexander's horse
19 Twice DL II
20 Neighbor of Mex.
21 Beginner for scope
22 Pact, in Paris
24 ". . . ——is the night": Keats
26 Administer
28 Brother of Eris
30 Sort of roof
33 Donkey
36 Lacking enthusiasm
38 Type of hold
39 Later
40 Georgia nut
41 —— libre
42 Fam. member
43 Flynn of film fame
44 *Puzzle*
45 Type of cheese
47 Shield
49 Tidier
51 Paean
55 Shack
57 "Paradise Lost," e.g.
59 Eggs for Cato
60 ". . . but as it ——, it ain't": Carroll
61 The Duke of Wellington's horse
64 Italian wine center
65 Emulate Stephen Douglas
66 Starr of football fame
67 Stagger
68 Hen
69 One of the Setons

DOWN

1 Actor's first performance
2 Divert
3 Puerto——
4 Time of juin
5 Be innate
6 Christmas-stocking item for brats
7 Sank a putt, with "out"
8 Columbus inst.
9 Curb
10 *Poisonous* plants of the cashew family
11 Caligula's horse
12 Access for a miner
13 Actuate
18 Beginner for dactyl
23 Cleave
25 Fix a sock
27 Transfix
29 Creator of Tristram Shandy
31 Lap or ward follower
32 *Letter opener*
33 Fish or singing voice
34 Part of an *army*
35 Quixote's horse
37 Type of system
40 *Rigid code*
41 Expenditure
43 "L'——, c'est moi"
44 *Snuff quantity*
46 Soup ingredient
48 Certain dive
50 Compensate
52 Snead contemporary
53 "Ay, —— inch a king": Shak.
54 A ray
55 Fibber
56 "—— Quam Videri," N.C. motto
58 Rose or Rozelle
62 Old Danish coin
63 Rhyme scheme

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DENNIS THE MENACE

"THE BEST TOYS ARE ALWAYS THE THINGS GROWNUPS SAY *AREN'T* TOYS!"

JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

REPPA

MAGEL

GINDAR

BOSULE

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: BY ( ) ( ) ( ) ( ) ( ) ( )

(Answers tomorrow)

Friday's Jumbles: GLORY AUGUR FENNEL PHYSIC
Answer: *What a dancer's reputation often rests upon*— HER LEGS

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	25	77	16	61	fr
Amsterdam	17	63	11	52	fr
Athens	33	91	21	70	fr
Barcelona	28	79	17	63	cl
Belgrade	28	79	11	52	cl
Berlin	15	59	11	52	sh
Brussels	17	63	11	52	r
Bucharest	29	84	12	54	cl
Budapest	28	84	16	61	o
Copenhagen	19	66	10	50	o
Costa Del Sol	29	84	22	72	fr
Dublin	17	63	14	57	r
Edinburgh	18	64	9	48	o
Florence	27	81	20	68	o
Frankfurt	19	66	7	45	cl
Geneva	23	73	10	50	fr
Helsinki	21	70	14	57	sh
Istanbul	30	86	19	66	fr
Las Palmas	26	79	21	70	fr
Lisbon	21	70	11	52	fr
London	19	66	13	55	cl
Madrid	27	81	14	57	fr
Milan	25	77	18	64	cl
Moscow	14	57	11	52	sh
Munich	25	77	18	64	cl
Nice	26	79	17	63	fr
Oslo	22	72	11	52	cl
Paris	19	66	10	50	cl
Prague	21	70	13	55	o
Reykjavik	17	63	7	45	cl
Rome	28	82	17	63	fr
Stockholm	13	55	9	48	r
Strasbourg	16	61	9	48	cl
Venice	28	79	19	66	cl
Vienna	18	64	12	54	cl
Warsaw	16	61	10	50	o
Zurich	21	70	10	50	o
MIDDLE EAST					
Ankara	30	86	19	66	cl
Beirut	—	—	—	—	na
Damascus	—	—	—	—	na
Jerusalem	28	82	16	61	fr
Tel Aviv	31	88	20	68	fr
OCEANIA					
Auckland	—	—	8	46	cl
Sydney	16	61	6	43	fr

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	35	95	27	81	r
Beijing	31	88	23	73	cl
Hong Kong	31	88	25	77	sh
Manila	32	90	24	75	o
New Delhi	37	99	—	—	o
Seoul	26	79	20	68	cl
Shanghai	34	93	24	75	o
Singapore	30	86	—	—	o
Taipei	32	90	—	—	o
Tokyo	27	81	—	—	o
AFRICA					
Algiers	29	84	22	72	cl
Cairo	34	93	22	72	fr
Cape Town	—	—	14	57	na
Casablanca	24	75	2	68	cl
Harare	16	61	9	48	fr
Lagos	29	84	—	—	o
Nairobi	26	79	12	54	cl
Tunis	25	95	19	66	fr
LATIN AMERICA					
Buenos Aires	—	—	—	—	na
Caracas	27	81	19	66	cl
Lima	22	72	12	55	o
Mexico City	23	23	—	—	cl
Rio de Janeiro	—	—	—	—	na
NORTH AMERICA					
Anchorage	17	63	11	52	pc
Atlanta	35	95	24	75	fr
Boston	27	81	20	68	sl
Chicago	29	84	0	32	pc
Denver	32	90	15	59	fr
Detroit	26	79	15	59	fr
Honolulu	30	86	23	73	sh
Houston	34	93	22	72	pc
Los Angeles	20	86	18	64	fr
Miami	32	90	25	77	pc
Minneapolis	25	77	15	59	pc
Montreal	21	70	11	52	cl
Nassau	31	88	25	77	fr
New York	32	90	21	70	pc
San Francisco	24	75	13	55	fr
Seattle	20	68	11	52	pc
Toronto	20	68	14	57	r
Washington	36	97	25	77	pc

Cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; sl-sleet; ***

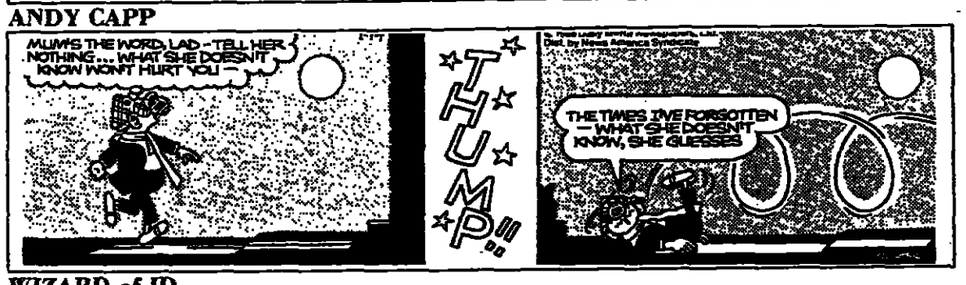
MONDAY'S FORECAST — CHANNEL: Slightly cheery. FRANKFURT: Fair. Temp. 23 — 8 (73 — 46). LONDON: Overcast. Temp. 20 — 14 (68 — 57). MADRID: Fair. Temp. 32 — 15 (90 — 59). NEW YORK: Partly cloudy. Temp. 31 — 23 (88 — 70). PARIS: Cloudy and fair later. Temp. 22 — 11 (72 — 52). ROME: Stormy. Temp. 31 — 18 (88 — 64). TEL AVIV: No. ZURICH: Partly cloudy. Temp. 23 — 9 (73 — 48). BANGKOK: Rain. Temp. 32 — 26 (90 — 79). HONG KONG: Rain. Temp. 30 — 26 (86 — 79). MANILA: Thunderstorms. Temp. 30 — 23 (86 — 73). SEOUL: Rain. Temp. 25 — 21 (77 — 70). SINGAPORE: Fair. Temp. 27 — 23 (81 — 73). TOKYO: Fair. Temp. 27 — 23 (81 — 73).

PEANUTS

BLONDIE

BEETLE BAILEY

ANDY CAPP



WIZARD of ID

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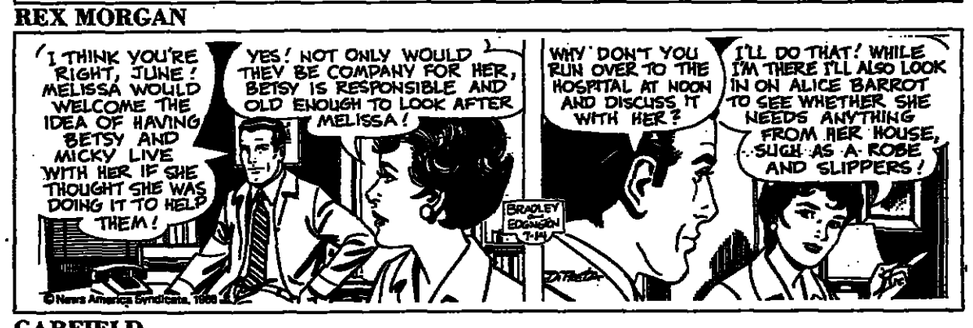


GARFIELD

BOOKS

THE PURGE:
The Purification of French Collaborators After World War II

By Herbert R. Lottman. 332 pages. $19.95. William Morrow, 105 Madison Avenue, New York, N. Y. 10016.

Reviewed by Douglas Porch

THE French have always been a very historically minded people. Alexis de Tocqueville observed in the tumultuous year of 1848 that Paris politicians appeared to be acting out the Revolution of 1789, "warming themselves by the fires of our fathers' passions," rather than breaking new ground.

And so it was during the liberation of France in 1944, which is the subject of "The Purge." The same reverence for the past, the same complicity with ancestors who had snubbed Louis XVI in like manner, caused spectators at a Lyon tribunal to keep their hats firmly on their heads when the judges filed into the courtroom. The postwar minister of justice, Pierre-Henri Teitgen, boasted to the Consultative Assembly in 1946 that his courts had sentenced 3,920 collaborationists to death, 1,508 to hard labor, and 8,500 to prison, a record that nearly equaled that of the revolutionary tribunals of 1793.

Even before the Allied landings of June 1944, Résistance fighters busied themselves executing Vichy officials. Once the German armies began to retreat, the real bacchanalia began, focusing especially on those women accused of "horizontal collaboration." Most escaped with a haircut of the sort generally dispensed by military barbers.

Hastily convened courts-martial applied in full the Provisional Government's instructions that "you cannot remain passive in the face of the people's anger."

With such a promising beginning, the "Revolution of 1944," as the supporters of Vichy were to call it, has left behind many myths, the most prominent of which is that as many as 120,000 people perished in the *règlement de comptes*. Lottman joins other historians in arguing for a far smaller number, around 10,000, still higher than the 4,500 suggested by American historian Robert O. Paxton.

In fact this French revolution, like so many others, quickly fizzled. Lottman has examined the justice dispensed to demonstrate that, after the first few angry months had passed, to be briefly revived by the return of French internees on the fall of the Reich in April 1945, the French rapidly lost interest in punishment.

If the disruption of the invasion and the delays in setting up a system of justice caused much frustration in the early weeks of the liberation, it undoubtedly saved lives and contributed to more just sentences in the long term. Retribution naturally fell upon the most visible supporters of Vichy, but with Jacques Doriot killed in the war, Pierre Laval dragged before a firing squad half-dead already from a suicide attempt, Pétain locked away on the Ile d'Yeu, and some of the more accessible members of the Militia punished, tempers began to cool.

As a result, the courts were left with only a few small fish to fry. By 1949, 60 percent of Frenchmen were calling for an amnesty. Less than 3,000 people accused of collaboration crimes were still in jail in 1951, and most of these were released by the 1953 amnesty.

Why this was so is only partially explained by Lottman. Certainly, Talleyrand's remark that "treason is a matter of dates" was never truer for the French than in World War II, where loyalties were confused — few were as unlucky as the Vichy minister of the interior, Pierre Pucheu, who escaped to North Africa to join the Free French in 1943 only to be shot for his troubles.

The vast majority of Frenchmen in 1940 simply carried on with business as usual. There was something comforting in normalcy. And even though Vichy had been discredited by 1943, the prospect of an Allied invasion and an insurrection made the reasons for the armistice of 1940 — the preservation of the social order as the highest good — more compelling than ever in 1944.

This attitude also helped to determine who would be purged. Despite a few obvious examples, which Lottman cites, businessmen, experts and bureaucrats survived almost intact. A sense of professional solidarity prevented amateurs from being imposed from the outside, even in the army, which the government at first sought to purge thoroughly. The technocratic nature of their functions often made it impossible to blame them for excesses or to replace them.

But, apart from the obvious cases, collaboration went unpunished because, in the conditions of occupied France, most Frenchmen did not see collaboration as a moral choice. One slipped into it almost imperceptibly. After all, the Germans had been part of the French landscape since 1940, and by all accounts had behaved decently in the small towns and villages they had occupied for four years. This did not make one pro-German, only human. And even the choice between Résistance or the Militia for many young men often turned on a hair. Who could blame someone for making the wrong choice in 1942 when the Germans seemed the victors and the prospects for liberation remote? In a France where normalcy had to be created because it had ceased to exist, it was difficult to hold a grudge for long against those who had merely sought to survive.

Douglas Porch, Mark W. Clark Professor of History at The Citadel, wrote this review for The Washington Post.

Solution to Friday's Puzzle

A	S	S	A	M		A	D	D		N	O	P	A	R
B	A	N	J	O		M	A	O		O	R	A	L	E
A	V	I	A	N		A	R	M		T	A	R	P	S
C	I	T	R	O	N		B	I	D	S		C	H	E
I	N	S		P	E	P		N	E	E		H	A	M
			O	O	Z	E	S	O	U	T		E	B	B
S	T	I	L	L		R	U	M	S		R	E	E	L
C	A	N	D	Y		I	M	A		C	A	S	T	E
A	R	C	S		S	P	A	S		A	M	I	S	S
R	A	E		C	H	E	C	K	E	R	S			
E	N	S		O	A	T		S	T	D		A	P	E
C	T	S		R	Y	E	S		E	G	G	N	O	G
R	U	A	R	K		I	K	E		A	L	I	K	E
O	L	N	E	Y		A	I	L		M	O	S	E	S
W	A	T	T	S		S	P	Y		E	B	E	R	T

7/12/86

BRIDGE

By Alan Truscott

THIS writer suggests that the declarer should assume that a defender had no choice when he plays an honor. Those who find the basic theory confusing will be even more confused by the diagramed deal.

It is a modified version of a recent knockout team match decided by a margin of 1 international match point.

Four hearts is reached by a normal route after East has overcalled in spades. Spades are led and continued, and South ruffs the third round with the heart eight. West overruffs with with the jack and exits with a diamond. South wins in dummy with the ace, leads the heart king, and reaches this position:

NORTH
♠ 4
♡ —
◇ J 8 6 2
♣ —

WEST
♠ 9 5
♡ —
◇ Q 10 7
♣ —

EAST
♠ Q 7 6
♡ —
◇ K 5
♣ —

SOUTH
♠ A K 8
♡ —
◇ A 9
♣ —

South leads a trump and must guess the location of the ten when the six is played.

If he misguesses by playing the ace, his partner will tell him: "You should go by restricted choice. If East began with Q-10 doubleton he might well have played the ten."

But if South finesses the nine and loses because East, not West, turns out to have the ten, he will be told: "You should go by restricted choice. If West began with J-10-6-2 he might well have overruffed with the ten."

Confusingly, theory cancels out theory. "Drink deep," said the Sage of Twickenham on the subject of learning, "or taste not the Pierian spring."

NORTH
♠ 4 2
♡ A 10 8 3
◇ J 8 6 2
♣ 10 8 2

WEST
♠ J 9 5
♡ J 9 5
◇ Q 10 7 3
♣ Q J 3

EAST
♠ Q 7 6 3
♡ 8 7 2
◇ K 5
♣ K 9 6 5

SOUTH (D)
♠ A K 10 8
♡ K Q 4
◇ A 9 4
♣ A 7 4

Both sides were vulnerable. The bidding:

South	West	North	East
2 N.T.	Pass	3 ♣	Pass
3 ♣	Pass	3 N.T.	Pass
Pass	Pass		

West led the club queen.

Hinault Wins Tour de France Time Trial

By Samuel Abt
International Herald Tribune

NANTES, France — Bernard Hinault dispelled all the doubts and rumors about his health Saturday by winning the first major test in the Tour de France bicycle race, a 61.5-kilometer (38-mile) *time trial, and moving into third* place in the overall standings.

But Greg LeMond kept alive all the rumors about his rivalry with Hinault for the leadership of the La Vie Claire team by finishing second, 44 seconds back.

LeMond, a 25-year-old American, would have been even closer if his rear tire had not been punctured seven kilometers from the finish. He lost nearly 40 seconds before a replacement bicycle could be unleashed from the roof of the team car and he could start moving again.

He would not say that the flat had cost him victory, and Hinault did not entertain the suggestion.

Hinault has had enough problems of his own. He did badly in the team time trial the Saturday before and then came down with conjunctivitis, a common eye ailment for racers on dustblown roads. The combination led to widespread reports that he was weaker than he had admitted, especially since, at 31 and in his final year of racing, Hinault has not won a major race this season.

Riding Saturday in his native Brittany, he took a long step toward overall victory. Hinault covered the distance in the individual race against the clock in 1 hour 18 minutes 46 seconds.

LeMond was the only other rider in the 191-man field to finish in under 1 hour 20 minutes, beating that time by 30 seconds.

"I knew during the workout this morning that I would go well," Hinault said. "It's only one *victory but it's a victory.*"

The big loser of the day was Laurent Fignon, a Frenchman who leads the Système U team and was the winner of the Tour in 1983 and 1984.

Fignon finished 32d, 3:42 behind Hinault. He offered no excuses. "I didn't do well," he said.

Asked if he was pleased with Fignon's showing, Hinault said *no.* "I'm never happy to see a racer finish in difficulty," he said.

Besides Hinault and LeMond, Saturday's other big winners were Stephen Roche of Ireland, who finished third, and Carrera teammate Urs Zimmermann of Switzerland, who was fifth.

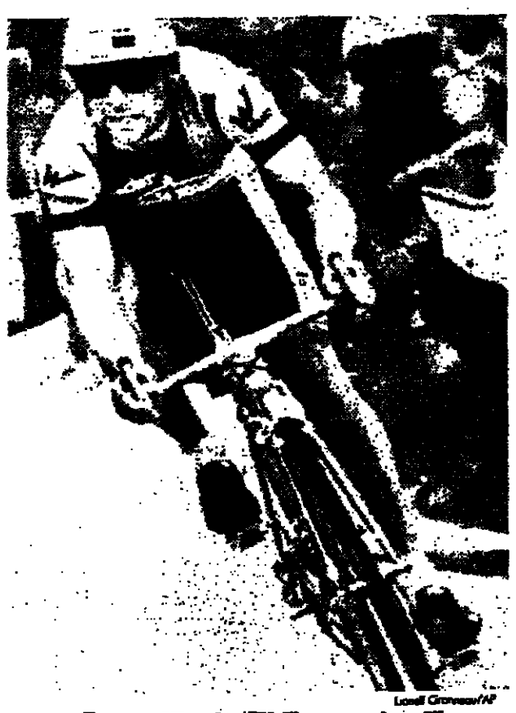
Roche has not finished a stage race this year because of injuries to his left knee in a six-day race in Paris last fall. "The knee is fine now," he said a few days ago. "It's the rest of me that's out of shape."

Like Roche, Zimmermann is a fine climber, but his qualities as a time trialist have been suspect. *The Carrera teammates have* served warning they will be hard to beat in the mountains.

"Do they have a better team than we do?" Hinault said. "We'll see, won't we?" Then he added, "Our team morale is very strong. Everybody knows what he has to do."

Hinault certainly did before Saturday's start. Deep in concentration, he sat on the starting ramp without looking up as the timer counted off the seconds. Then he set his jaw, exhaled and bolted off.

The course, mainly back roads, made a huge loop just outside of Nantes and passed through many villages where Saturday was the most exciting day since the last artichoke harvest.



Lionel Cironneau/AP

Bernard Hinault: "We'll see, won't we?"

Tens of thousands of people lined the road, many sitting at picnic tables covered with cloths weighted against the wind with wine bottles.

The weather was cool and overcast; the picnickers' wine bottles were quickly emptied.

The road itself was mainly flat, with a long and gently ascending grade known to racers as a false flat. There were no serious climbs and only a few soft hills.

"Magnificent course," declared Luis Ocana, a formidable time trialist a decade ago and the winner of the 1973 Tour de France. Now he is a commentator for a Spanish radio station and was driving the course behind Pedro Delgado, a Spaniard with the PDM team based in the Netherlands.

SPORTS BRIEFS

Puica Sets World Mark of 5:28.69 in 2,000

LONDON (AP) — Maricica Puica of Romania set a world record for the women's 2,000 meters by clocking 5 minutes 28.69 seconds at an international track and field meet here Friday night.

Puica, the 3,000-meter Olympic champion, ran away from Zola Budd and *Yvonne Murray of Britain in the final 200 meters to lower* the two-year-old mark of 5:28.72 set by Tatyana Kazankina of the Soviet Union.

Mansell Wins, Takes Over Formula 1 Lead

BRANDS HATCH, England — Nigel Mansell took the lead in the world Formula One driver standings by winning the British Grand Prix here Sunday. Hoping to become Britain's first world champion since James Hunt in 1976, Mansell, 31, won for the fourth time in the last five races.

Mansell finished five seconds ahead of his Williams Honda teammate, Brazilian Nelson Piquet. Defending champion Alain Prost of France, the leading driver *entering Sunday's race, was third in his McLaren.*

The race was marred by a nine-car pileup just after the start in which French driver Jacques Laffite, who was equaling Graham Hill's record of 176 grand-prix races, broke both ankles and a leg.

The accident, at the end of the main pit straight, occurred when Belgian Thierry Boutsen's Arrows BMW hit the left-side safety barrier and rebounded back across the track; the Zakspeed of Briton Jonathan Palmer and Canadian Alan Berg's Osella collided with it. Lafitte ran into the barrier on the right.

King Has 1-Stroke Lead in Women's Open

KETTERING, Ohio (AP) — Betsy King shot a 2-under-par 70 Saturday to hold a one-stroke lead over Ayako Okamoto after three rounds of the rain-soaked U.S. Women's Open golf tournament.

Okamoto, of Japan, putted only 23 times in posting a second straight 69 that put her in second place at 214. It was three shots back to Judy Dickinson. Sally Little and Deb Richard, tied at 217. Little and Richard each matched par 72. Dickinson, who shared the second-round lead with King, slipped to a 74.

An afternoon downpour delayed play for 2 hours 17 minutes; 10 players still were on the course when play was temporarily halted for the third straight day.

Australia Routs Argentina in Rugby, 26-0

SYDNEY (UPI) — Australia trounced Argentina, 26-0, in Saturday's finale of a two-match rugby union series. Australia had won the opener, 39-19, a week earlier.

Fullback David Campese scored two tries (raising his total to 19 in 24 tests). No. 8 Steve Tuynman scored another and Michael Lynagh kicked four penalty goals and a dropped goal.

NFL, Union Agree to Drug-Test Arbitration

WASHINGTON (AP) — The National Football League and the players' union agreed late Friday to binding arbitration over Commissioner Pete Rozelle's plan for mandatory, random drug testing.

The league agreed not to implement the plan until arbitrator Richard Kasher decides whether Rozelle has the authority to order testing beyond that allowed by the collective bargaining agreement. Kasher's decision is expected in mid-September, about a week after the season begins.

SPORTS

Richard Pavelle/Reuters-United Press International

CHAMPION — Evander Holyfield, left, dethroned World Boxing Association heavyweight titlist Dwight Muhammad Qawi on a 15-round a split decision day in Atlanta. Holyfield, 23, had fought only 11 times as a pro since winning the medal at the 1984 Olympics and had never gone more than eight rounds.

Pullouts Threaten Games; Budd Is Ruled Ineligible

Compiled by Our Staff From Dispatches

LONDON — The withdrawals of five African states have shaken the organizers of the upcoming Commonwealth Games, Britain's premiere sporting event.

"It is having a very dampening effect on the whole spirit" of the games, said Kenneth Borthwick, chairman of the organizing committee, after the announcement Saturday in Nairobi that Kenya was staying away from the July 24-Aug. 2 games in Edinburgh.

Last Wednesday, Ghana and Nigeria announced boycotts; Uganda withdrew on Friday, and Tanzania announced its withdrawal on Sunday.

The boycotters said they had been motivated by Prime Minister Margaret Thatcher's rejection of tougher economic sanctions against South Africa and by the inclusion on the English team of two South African-born athletes, middle-distance runner Zola Budd and swimmer Annette Cowley.

Later Sunday, the Commonwealth Games Federation banned Budd, 20, and Cowley, 19, from taking part in the games.

During a six-hour meeting in Edinburgh, the federation said Budd failed to meet the residential qualification. Spokesman Peter Heatley said "it was noted that Zola Budd was seeking eligibility on the basis that her normal place of residence was England."

Budd, who owns a house in southern England, and who ran for Britain in the Los Angeles Olympics after a speedy and controversial granting of citizenship, frequently visits her family in South Africa and trains there.

Budd has represented England in various international events, including the world cross country chamionships, which she has won for the past two years. She obtained a British passport on April 6, 1984, because her paternal grandfather was British-born.

Cowley was given a British passport in January 1985 but lives in the United States.

■

Kenya and Nigeria are the continent's most important Commonwealth sporting nations. Nigeria's 51-member squad was to have been the biggest from Africa; Kenya would have sent 46 athletes.

"It is a very difficult situation for us because we are at the receiving end of all this," Borthwick said. "I would fervently hope there is not now going to be a domino effect."

Borthwick said he had written to the heads of state of the remaining 53 competing nations urging them to come to Edinburgh, but insisted that even if the boycott spread "the games would still be a success."

Kenya's move took games officials by surprise. Kenyan athletes, who had been ready for departure, had been expected to excel in the country's two traditionally strong areas — middle- and long-distance running — and boxing.

Among Kenya's potential medal winners were Olympic steeplechase champion Julius Korir, 10,000-meter specialist Mike Musyoki and runners Sammy Koski, Julius Kariuki, Joshua Kipkemboi and Paul Kipkoech.

Borthwick said the boycotters still could change their minds. "They are assured of a warm welcome," he said. "Until such time as we receive official notification of a withdrawal, we would urge them to come."

Three other African countries, Botswana, Zambia and Zimbabwe, were reported to be considering joining the boycott of what the organizers had termed the "friendly games."

Speculation also mounted that the boycott could spread to the Caribbean, where Antigua and St. Vincent were said to be studying the situation.

Even before the boycott began, the games were wracked by financial problems. A huge shortfall in sponsorship led to a "save-the-games" fund-raising effort coordinated by millionaire publisher Robert Maxwell.

Maxwell, now chairman of the Commonwealth Games Company, joined other officials Saturday in appealing to the boycotting countries to change their minds.

"I appeal to their leaders to reconsider their actions," Maxwell said. "It cannot be denied" that the boycotts "are a disappointment, but let's keep it in bounds. We have over 3,000 competitors. Those who have so far withdrawn represent less than 5 percent of that total.

"Even if the Africans don't attend, there will still be 500 more competitors than at the last games," he said.

The Commonwealth group of 49 nations, including 15 African states, is made up of Britain and most of its former colonies and territories. *(AP, AFP)*

Clemens Wins 15th As Sox Edge Angels

Compiled by Our Staff From Dispatches

BOSTON — Roger Clemens, in a tuneup for the All-Star Game, pitched a five-hitter Saturday for his major league-leading 15th victory and Bill Buckner hit a two-run home run as the Boston Red Sox beat the California Angels, 3-2.

Clemens, who had lost two straight after opening the season with 14 consecutive victories, struck out eight to raise his American League-leading total to 146. It was the sixth complete game this year for Clemens, who is expected to start in Tuesday's All-Star Game in Houston.

The start of the game Saturday was delayed for 43 minutes and was played in a steady rain.

Trailing by 2-1 in the sixth, Boston scored twice off loser Mike Witt. Marty Barrett led off with a single to left and, with one out, Buckner hit a 1-2 pitch over the outstretched glove of a leaping Ruppert Jones, the ball landing in the Angel bullpen in right field.

The Angels had ended a 1-1 tie in the sixth when Jack Howell reached base on Buckner's fielding error, stole second and scored on Wally Joyner's double down the right-field line. Joyner's 71st run batted in broke the team rookie record of 70 set by Lee Thomas in 1961.

A's 5, Blue Jays 3: In Toronto, Dave Stewart scattered four hits over seven innings and Mike Davis was hit by a pitch with the bases loaded, helping Oakland end a four-game losing streak.

Royals 7, Tigers 4: In Kansas City, Missouri, Willie Wilson led off the bottom of the first with a home run and scored in the fourth to help beat Detroit.

Rangers 11, Indians 6: In Cleveland, Scott Fletcher, Pete O'Brien and Toby Harrah each drove in two runs as Texas ended a three-game losing skid and halted an Indian winning streak at three.

Yankees 8, Twins 0: In Minneapolis, rookie Scott Nielsen pitched a six-hitter in his second major-league start while Mike Pagliarulo and Dan Pasqua homered to pace a 15-hit attack that gave New York its fourth straight victory. The Twins have lost seven of their last 10, all at home.

White Sox 6, Orioles 3: In Chicago, Harold Baines went 4-for-4 and, with two on and two out in the ninth, made a diving catch of Cal Ripken's bid for an extra base hit for Baltimore.

Mariners 15, Brewers 9: In Milwaukee, Danny Tartabull and Scott Bradley each drove in four runs and John Moses to help down the Brewers. Milwaukee lost its seventh straight home game, a club record since the franchise was moved from Seattle.

Reds 2, Expos 0: In the National League, in Montreal, Cincinnati won for the fifth time in its last six games with Kurt Stillwell and Buddy Bell hitting home runs and John Denny and Ron Robinson pitching a two-hitter.

Astros 4, Phillies 3: In Houston, Nolan Ryan won his third straight since coming off the disabled list and Tony Walker drove in three runs against Philadelphia. Ryan worked six innings and allowed only three hits, walking five and striking out eight.

Mets 10, Braves 1: In New York, Len Dykstra went 4-for-5 to lead a 15-hit attack and Rick Aguilera held Atlanta to five hits for seven innings. The Mets have outscored the Braves by 26-2 in the first three games of a four-game series.

Giants 3, Pirates 1: In San Francisco, all-star pitcher Mike Krukow threw a seven-hitter while Rob Thompson scored two runs and drove in one against Pittsburgh.

Cardinals 4, Padres 2: In San Diego, five double plays helped St. Louis beat Ed Whitson in his first start since the New York Yankees traded him to the Padres.

Cubs 7, Dodgers 4: In Los Angeles, Jerry Mumphrey singled in Chicago's go-ahead run in the seventh and Leon Durham hit a two-run homer in the eighth. *(AP, UPI)*

SATURDAY BASEBALL

Jon Gerberich/The Associated Press

The Giants' Rob Thompson, sliding in with the second of his two triples Saturday against Pittsburgh.

Carter Helps Mets Clout Braves

Compiled by Our Staff From Dispatches

NEW YORK — Gary Carter found two pitches to swing at and hit two homers, the second a grand slam. In between, Darryl Strawberry found a pitcher to swing at.

"That's the first time I've ever been in a fight," Strawberry said Friday night after the New York Mets romped past the Atlanta Braves, 11-0. "But when a guy hits you and then stares at you, what are you supposed to do?"

Carter drove in a career-high seven runs with his two homers. Sid Fernandez pitched a two-hitter, became the top winner in the National League and got three hits during his first major-league shutout.

But what had everyone talking was the incident in the first inning. After Carter hit a three-run homer, David Palmer hit Strawberry in the right hip with his next pitch.

"I just tried to pitch him inside," Palmer said. "It got away."

Strawberry did not see it that way. He flung his bat and helmet to the ground and charged the mound. Palmer threw his glove at the onrushing Strawberry and sidestepped him, then plate umpire Jerry Crawford pushed the pitcher away.

Both benches and bullpens emptied, although there was more shoving than swinging. When the inning ended, Strawberry and Palmer exchanged words and glares.

"I told him I was going to get him," Strawberry said. "This is one of those things where I feel I have to pay him back."

Carter knocked Palmer out of the game in the second inning with his 10th grand slam in the majors. His 16th homer this year gave him a league-leading 65 RBI.

All that somewhat overshadowed the pitching of Fernandez. The left-hander, selected for the NL's all-star team, struck out nine and walked three. He did not allow a hit after the third inning, and has given up an average of only 4.4 hits per 9 innings, the best ratio in the majors.

Pirates 8, Giants 4: In San Francisco, Rafael Belliard hit a two-run triple to help Pittsburgh rally with a five-run fifth.

Cubs 6, Dodgers 3: In Los Angeles, Gary Matthews homered twice and drove in four runs for Chicago, and Manny Trillo returned from the disabled list with three hits.

Phillies 4, Astros 1: In Houston, Von Hayes hit a two-run homer for Philadelphia while the Astros were held to five hits.

Reds 3, Expos 2: In Montreal, Bill Gullickson limited his former teammates to six hits over eight innings. Eddie Milner's ground out drove in Cincinnati's winning run.

Cardinals 4, Padres 2: In San Diego, first baseman Steve Garvey's error on a two-out grounder in the fourth let Terry Pendleton and Vince Coleman score for St. Louis.

Angels 5, Red Sox 0: In the American League, in Boston, Reggie Jackson hit his first homers since May 14, both off Tom Seaver, to back the shutout pitching of California's Kirk McCaskill.

Royals 4, Tigers 3; Tigers 8, Royals 7: In Kansas City, Missouri, Frank White's two-run homer beat Detroit in the first game. Dave Engle's RBI single in the 11th gave the Tigers a victory in the nightcap.

Indians 7, Rangers 2: In Cleveland, Andre Thornton drove in three runs against Texas as knuckleballer Tom Candiotti won his league-high eighth complete game.

Blue Jays 6, A's 5: In Toronto, Damaso Garcia hit a two-run homer and Willie Upshaw drove in two runs against Oakland.

Orioles 4, White Sox 2: In Chicago, Ken Dixon allowed only five hits for 8⅓ innings, striking out 13, and Cal Ripken homered for Baltimore.

Yankees 9, Twins 3: In Minneapolis, Doug Drabek gave up only three hits over six innings, Mike Pagliarulo hit a three-run homer and Don Mattingly went 3-for-5 with three doubles for New York.

Mariners 9, Brewers 3: In Milwaukee, Mike Morgan pitched a six-hitter for his fourth complete game this year and Phil Bradley drove in three runs for Seattle. *(AP, UPI)*

FRIDAY BASEBALL

VANTAGE POINT/Randy Harvey

Turner in Moscow: Heady Days of Wine and Poses

Los Angeles Times Service

MOSCOW — Nearing the completion of a three-hour ride ride down the Moscow River on the good ship Stepan Raiza, a Soviet sports official asked Ted Turner to join him in a toast. As a rule, Turner never drinks during the day. But he did not want to offend his host.

"What time is it in Atlanta?" Turner asked an associate.

Informed that it was 5 A.M., Turner noted that it was still dark back home and accepted the invitation to join the official in a glass of Russian red wine. Georgian would have been more appropriate, but the host was proud of the wine.

They toasted the Goodwill Games, which Turner created and, through his superstation, WTBS, was co-producing in conjunction with the Soviet television and sports committees.

They toasted goodwill; they toasted each other.

"To Ted Turner, the toast of the town," the Soviet official could have said without exaggerating.

Since Turner, 47, arrived two weeks ago, he has become the most popular American in Moscow since Levi Strauss. The Soviet newspapers are enamored of him. They call him a good capitalist, a rare breed indeed. They describe him in terms that until now have been reserved for Armand Hammer, the U.S industrialist who has succeeded in dealing with the Russians for several decades.

In an article last week, Komsolskaya Pravda said: "Although Mr. Turner is a true representative of his class and does not plan changes in the system that supports him, still his goal is a situation when people could switch on their television sets without fear that they would see the beginning of a world catastrophe."

When people here switch on their television sets, they are likely to see Turner.

There he is, shaking hands with President François Mitterrand of France. There he is, placing a wreath at the tomb of the Unknown Soldier. There he is, at Lenin's mausoleum.

"Not too bad," Turner said later of Lenin's body. "A little pale, but not too bad."

Three glasses of red later, Turner, who was known as two-beer Ted during his college days at Brown University — before, on one of his three-beer days, he was expelled for setting fire to a homecoming float — returned to the deck of the Stepan Raiza, where he soon was surrounded by journalists.

"I am from Hungary," one told him.

"How're you?" Turner replied. "I'm from America."

"I am from Bulgaria," another journalist said.

"Hungary, too?" Turner said.

"Bulgaria," the man repeated.

"Hungary, Bulgaria, what's the difference?" Turner said.

A little earlier, an hour into the boat ride, Turner and the Soviet sports official, Marat Gramov, had given a press conference.

Turner was asked about his world view. "I love my country very much," he said. "But I must say I love all people over the world, and we better all start loving each other or we're going to blow each other to kingdom come."

It is virtually impossible to talk with Turner for more than a few minutes without him introducing the subject of the potential for nuclear war between the United States and the Soviet Union. The subject obsesses him, which he says was his inspiration for the Goodwill Games. If people from the two countries meet in athletic competition, he says, they are less likely to want to destroy each other.

> **'Life's short enough as it is. . . . One nuclear bomb, and we're all gone.'**

He compares his efforts here to Richard Nixon's Ping-Pong diplomacy in China.

So what if it costs Turner $35 million? "ABC lost $60 million on Monday night football last year," he said. "Don't get me wrong: I love Monday night football. But what is ABC doing for the world?"

Turner is here to ban the bomb.

"Can you imagine a nuclear bomb over this city?" he had said a few days earlier, standing at the window of his 16th-floor suite in the Cosmos Hotel and holding his hands out to Moscow. He had a view of the monument to Sputnik, the monument to production and the main television tower. On the wall of his living room were U.S. and Soviet flags.

"Think about bombs over Los Angeles," he said. "It may be smoggy and congested in Los Angeles, but that's better than a nuclear bomb.

"Life's short enough as it is. We've got a lot of good stuff now, like cable television and McDonald's. One nuclear bomb, and we're all gone.

"Besides us, what about the dogs?"

"The dogs?" he was asked.

"The dogs," Turner said. "The dogs here aren't Communist dogs. They're just dogs."

Back on the deck of the Stepan Raiza, two Polish journalists invited Turner to Warsaw. Turner told them of his experiences with Polish vodka. When the journalists told him they had a bottle in their hotel rooms, Turner invited them to his suite.

A Soviet journalist interrupted to ask Turner about his hunting trip last year in the Soviet Union. Turner said that he has just received the stuffed head of a mountain goat he bagged and invited the man to his suite.

An journalist from India asked to take a picture of Turner with his wife, Janie, and two of their four children, who were with them on the boat. Turner invited the journalist to his suite.

"When are you going to be the president?" a Czech journalist asked.

Americans in Moscow for the games have been asked that question more than once by people here, mostly by Soviet journalists and low-level government officials. When told that Turner does not have the credentials to be president of the United States, the people say, "Yes, but Reagan was an actor."

What can you say?

Here was what Turner said to the Czech journalist.

"I don't want to be the president. The president has to worry about making the trains run on time. The president has to worry about the economy. I don't want to try to solve the problems of one country. I want to solve the problems of the world. I don't have time to be the president."

Standing nearby, overhearing the conversation, were several U.S. reporters. They began laughing. "C'mon, you guys," Turner said. "You know what I mean. I mean, even if I could be the president, I wouldn't want to be. Why would anybody want to be the president?"

The Czech journalist appeared disappointed. He said he wanted Turner to be the president.

Turner invited him to his suite.

SCOREBOARD

Baseball

Friday's and Saturday's Major League Line Scores

FRIDAY'S RESULTS
AMERICAN LEAGUE
First Game
[illegible] 2 5 0
[illegible] 4 5 1
Campbell (8) and Parrish; Saberhagen, (8) and Quirk. W—Farr, 6-1. L—[illegible]. HR—Kansas City, White (18).
Second Game
[illegible] 6 13 0
[illegible] 7 11 1
Neal (3), Hernandez (9), Campbell (8) and Lowry, Parrish (8); Leonard, Schlatter (8) and Sundberg. W—[illegible], 4-4. L—Gubicza, 2-5. Sv—Carnegie. HR—Detroit, Grubb (2), Collins (1).
[illegible] 6 1
[illegible] 7 8 0
Mahler (2), Mohler (6), Williams (9) and Petrelli (6); Candiotti and Candiotti, 8-6. L—Witt, 4-8. HR—Boston (16).
[illegible] 5 11 1
[illegible] 4 9 0
Cerone (8), Ontiveros (8) and Tettleton, Johnson, Eichhorn (5), Henke (9) and Martinez (9). W—Eichhorn, 7-3. L—Henke (14). HRs—Oakland, Canseco, Garcia (3).
[illegible] 5 15 0
[illegible] 9 8 1
Leonard Beane; Seaver, Lollar (7) and W—McCaskill, 10-5. L—Seaver, 2-9. HR—California, Jackson 2 (9).
[illegible] 4 13 0
[illegible] 2 6 0
Stieb (9) and Dempsey; Bannister, Reed and Skinner, Fisk (9). W—Dixon, 9-7. L—Bannister, 5-5. Sv—Acre (23). HR—Baltimore, Ripken (13).
[illegible] 7 12 0
[illegible] 3 7 0
Fisher (7) and Wynegar; Heaton, Reed and Sakata. W—Drabek, 1-2. L—Fisher (4). HRs—New York, Mattingly (20), Pasqua (7).
[illegible] 4 14 1
[illegible] 3 7 0
Stieb S.Bradley; Leary, Gibson (4), Reed and Schroeder. W—Morgan, 7-8. L—Stieb. HRs—Seattle, Tartabull (14), Davis (12). Milwaukee, Deer (15).

NATIONAL LEAGUE
[illegible] 5 3
[illegible] 6 1
Cincinnati (9) and Bulpett; McGaffigan (6), Berke (8) and Fitzgerald, Dickson, 6-6. L—McGaffigan, 5-4. HR—Montreal, Wallach (14).
[illegible] 5 1
[illegible] 5 1
Welch (6), Bedrosian (8) and Russell (8), Smith (9) and Ashby. L—Welch, 4-2. L—Scott, 9-4. Sv—Bedrosian (1). Philadelphia, Hayes (5). Houston, Ryan (7).
[illegible] 2 2
[illegible] 11 12 0
Reuschel, Murray (2), Clarke (8) and Virgil; Perez and Carter, Hearn (6). W—Reuschel, 12-2. L—Palmer, 5-8. HRs—New York, Strawberry 2 (16).
[illegible] 14 0
[illegible] 9 0
Hesketh, Gumpert (6), Smith (8) and Doran; Reuss (6), Niedenfuer (8), Hoffman (9) and Trevino. W—Sanderson, 4-6. L—Hesketh, 5-5. Sv—Smith (14). HRs—Chicago, Sandberg 2 (18). Los Angeles, Matuszek (12).
[illegible] 9 3
[illegible] 2 5 1
Hurst (8) and Lavalliere; Hawkins, Gossage, Shaddard (9) and Kennedy. W—Hawkins, 6-6. Sv—Worrell (14).
[illegible] 14 1
[illegible] 8 2
Candelaria, Finn (4), Robinson (7) and Ortiz; Krukow, Brenneman (5), Minton (6), McDaniel (8) and Brown. W—Winn, 2-3. L—Carlton, 4-9. HRs—Pittsburgh, Diaz (4). San Francisco, Uribe (2), Leonard (4).

SATURDAY'S RESULTS
AMERICAN LEAGUE
[illegible] 11 15 0
[illegible] 6 11 0
Morris (8) and Mercado; Butcher, Yett (8), Oellers (9) and Allanson, 9-4. L—Butcher, 1-4. HRs—Cleveland, Carter (15), Snyder (8).
[illegible] 5 0
[illegible] 3 6 1
Boston: Clemens and Gedman. L—Clemens, 15-2. L—Witt, 9-7. HR—Boston, Evans (8).
[illegible] 13 0
[illegible] 3 4 0
Chicago (8), Leiper (8), Onis and Tettleton; Key, Lamp (8), Plesac (9) and Martinez, Whitt (8). W—Key, 9-6. Sv—Ontiveros (1), Oakland, Conseco (22).
[illegible] 9 0
[illegible] 12 1
Hammond (4), Pocoila (4), O'Neal (7), Henke (9) and Parrish; Leibrandt, Ferry (9) and Sundberg. W—Leibrandt, 5-2. Sv—Jackson (1). HRs—Detroit (7), Kansas City, Wilson (5).
[illegible] 8 0
[illegible] 13 0
Cox, Havens (6), Jones (8) and Virgil, Nelson (3), Schmidt (7) and Nelson, 5-4. L—Saddecker, 11-5. Home runs (5). HR—Chicago, Hulett (6).
[illegible] 15 3
[illegible] 6 0
Record Hassey; Smithson, Anderson (5), Davis (9) and Reed. W—Nielsen, 2-0. L—Smithson, 2-3. HRs—New York, Pasqua (21), Pasqua (8).

Seattle	207	271	110	15 12 2
Milwaukee	100	122	003	9 15 4

Reed, Hulsmann (6) and S.Bradley; Wegman, Caceres (3), Gibson (6), Clear (9) and Moore, Schroeder. W—Reed, 1-0. L—Wegman, 2-8. Sv—Hulsmann (4). HRs—Seattle, P.Bradley (9). Milwaukee, Molitor (4).

NATIONAL LEAGUE

Philadelphia	102	000	000	3 3 0
Houston	031	000	00x	4 14 2

Rawley, K.Gross (4), Takulve (7) and Reynolds; Ryan, Smith (7) and Mizerock. W—Ryan, 6-6. L—Rawley, 11-5. Sv—Smith (17). HRs—Houston, Walker (2).

Atlanta	000	000	100	1 7 4
New York	004	010	50x	10 15 2

Mahler, Dedmon (3), Assenmacher (7), Acker (7) and Virgil; Aguilera, McDowell (8), Orosco (9) and Carter. W—Aguilera, 2-3. L—Mahler, 10-8.

Pittsburgh	010	000	000	1 7 0
San Francisco	002	010	00x	3 10 0

Rhoden, Guante (8) and Pena; Krukow and Brenly. W—Krukow, 11-6. L—Rhoden, 9-5. HR—Pittsburgh, Pena (7).

Cincinnati	000	000	110	2 11 0
Montreal	000	000	000	0 2 0

Denny, Robinson (7) and Bularo; Martinez, McClure (8) and Bilardello. W—Denny, 6-8. L—Martinez, 9-2. Sv—Robinson (7).

St. Louis	200	100	000	4 7 0
San Diego	001	100	000	2 10 0

Forsch, Dayley (7), Worrell (9) and LaValliere; Whitson, Lefferts (6), Walter (9) and Kennedy, Bochy (8). W—Forsch, 7-6. L—Whitson, 9-1. Sv—Worrell (15). HR—San Diego, Kennedy (8).

Chicago	000	004	12x	7 11 1
Los Angeles	100	000	000	1 6 1

Trout, Lynch (6) and Davis; Pena, Diaz (6), Niedenfuer (6), Howell (8), Vande Berg (9) and Trevino. W—Lynch, 7-8. L—Niedenfuer, 5-4. HR—Chicago, Durham (10).

Cycling

Tour de France

NINTH STAGE
(to Nantes)
(28-mile/61.1-kilometer time trial)
1. Bernard Hinault, France, 1 hour 18 minutes 46 seconds, average speed 29.12 mph.
2. Greg Lemond, United States, 44 seconds behind.
3. Stephen Roche, Ireland, 1 minute 1 second behind.
4. Julian Gorospe, Spain, 1:24 behind.
5. Urs Zimmermann, Switzerland, 1:42.
6. Jorgen Pedersen, Denmark, 1:43.
7. Joel Pelier, France, 1:48.
8. Silvano Contini, Italy, 1:58.
9. Robert Millar, Britain, 2:00.
10. Jean-Francois Bernard, France, 2:06.

TENTH STAGE
(Nantes to Poitiers, 194 kilometers)
1. Angel-Jose Sorrosio, Spain, 4 hours 27:16 seconds.
2. Jean-Claude Bagot, France, 1 second behind.
3. Eric Vanderaerden, Belgium, 2:42 minutes behind.
4. Franck Hosis, Belgium, same time.
5. Josef Lieckens, Belgium, s.t.
6. Johan Van Der Velde, Belgium, s.t.
7. Jean-Louis Gauthier, France, s.t.
8. Francis Castaing, France, s.t.
9. Jean-Philippe Van Den Brande, Belgium, s.t.
10. Mathieu Hermans, Netherlands, s.t.

OVERALL LEADERS
1. Jorgen Pedersen, Denmark, 39:18:58.
2. Joel Pelier, France, 1:03 behind.
3. Stephen Roche, Ireland, 1:05.
4. Bernard Hinault, France, 1:18.
5. Thierry Marie, France, 1:34.
6. Charles Mottet, France, 1:43.
7. Urs Zimmermann, Switzerland, 1:53.
8. Greg LeMond, U.S., 1:59.
9. Eric Vanderaerden, Belgium, 2:26.
10. Robert Millar, Britain, 2:34.
11. Dominique Gaigne, France, 2:41.
12. Laurent Fignon, France, 2:44.
13. Guido Bontempi, Italy, 2:58.
14. Bruno Cornillet, France, 2:59.
15. Jean-François Bernard, France, 3:22.

Auto Racing

BRITISH GRAND PRIX
1. Nigel Mansell, Britain, Williams Honda, 315.468 kilometers in 1:30:38.471
2. Nelson Piquet, Brazil, Williams Honda, 5.574 seconds behind
3. Alain Prost, France, McLaren TAG, one lap behind
4. Rene Arnoux, France, Ligier, two laps
5. Martin Brundle, Britain, Tyrrell Ranoult, three laps
6. Philippe Streiff, France, Tyrrell Renoult, three laps
7. Johnny Dumfries, Britain, Lotus Renault, three laps
8. Derek Warwick, Britain, Brabham BMW, three laps
9. Jonathan Palmer, Britain, Zakspeed, six laps

DRIVER STANDINGS
1. Nigel Mansell, Britain, 47 points
2. Alain Prost, France, 43
3. Ayrton Senna, Brazil, 36
4. Nelson Piquet, Brazil, 29
5. Keke Rosberg, Finland, 17
6. Jacques Laffite, France, 14
7. René Arnoux, France, 11
8. Stefan Johansson, Sweden, 7
9. Gerhard Berger, Austria, and Michele Alboreto, Italy, 6
10. Martin Brundle, Britain, 4
11. Teo Fabi, Italy, and Riccardo Patrese, Italy, 2
12. Philippe Streiff, France, 1

Football

CFL Standings

Eastern Division	W	L	T	PF	PA	Pts
Ottawa	2	1	0	53	44	4
Toronto	2	1	0	58	68	4
Hamilton	1	2	0	50	50	2
Montreal	0	2	0	33	40	0
Western Division						
Edmonton	3	0	0	89	52	6
Brit Colmb	2	1	0	69	70	4
Calgary	1	2	0	65	64	2
Saskatchwn	1	2	0	47	101	2
Winnipeg	1	2	0	84	56	2

SATURDAY'S RESULTS
Hamilton 28, Winnipeg 11
Edmonton 31, Saskatchewan 19

Tennis

SWISS OPEN
(At Gstaad)
Quarterfinals
Emilio Sanchez (4), Spain, def. Jakub Hlasek, Switzerland, 6-3, 6-7, 7-6.
Stefan Edberg (1), Sweden, def. Damir Keretic, West Germany, 6-4, 6-1.
Jan Gunnarsson, Sweden, def. Mikael Pernfors (3), Sweden, 7-6, 1-6, 7-6.
Roland Stadler, Switzerland, def. Tomas Smid (8), Czechoslovakia, 6-2, 6-4.
Semifinals
Edberg def. Gunnarsson, 6-3, 6-2.
Stadler def. Sanchez, 6-4, 4-6, 6-4.
Final
Edberg def. Stadler, 7-5, 4-6, 6-1, 4-6, 6-2.

Goodwill Games

BOXING
48 Kilograms (105.8 Pounds)
Karimzhon Abdrakhmonov, USSR, def. Odilio Arias, Venezuela, 5-0; Tsen-Oidovin Tserenniam, Mongolia, def. Ysaias Zamudio, U.S., 4-1; Yen Tchol Chan, North Korea, def. Ruben Navarez, U.S., 5-0; Nshon Munchon, USSR, def. Kasimir Chalakov, Bulgaria, 5-0.
51 Kilograms
Rinvidas Bilyus, USSR, def. Nlamaagiin Narantuiaa, Mongolia, 5-0; Mikholl Vidinski, Bulgaria, def. Chaegwon Ha, North Korea, 5-0; David Griman, Venezuela, def. Lanik Payan, USSR, 4-1; Arthur Johnson, U.S., def. Hamilton Rodriquez, Brazil, 5-0.
54 Kilograms
Bernard Price, U.S., def. Tserenderzh Amarzhargal, Mongolia, medical dis. Alexsandr Artemiev, USSR, def. Phil Sutcliffe, Ireland, 5-0. Chi Hen Kim, North Korea, def. Johnny Vasquez, U.S., 5-0. Khvicha Khdrian, USSR, def. Aleksandr Hristov, Bulgaria, 3-2.
57 Kilograms
José-Luis Harpandez, Venezuela, stopped Jean Rakotomanga, Madagascar, :54, 3d; Somsen Khachatryan, USSR, def. Kho Jen Chon, North Korea, 5-0; Frank Rauching, East Germany, def. Vernon McGriff, U.S., 3-2; Mikhail Kazaryan, USSR, def. Robert McCarthy, Ireland, 5-0.
60 Kilograms
Terrence Southerland, U.S., def. Thomas Tobin, Ireland, 5-0. Nergulin Eebbet, Mongolia, def. Rashid Matumla, Tanzania.
63.5 Kilograms
Anton Kembarov, Bulgaria, def. Enkon Sin, North Korea, 3-2.
67 Kilograms
Andrei Trocenko, USSR, def. Mikhail Shirin, USSR, 3-2. Wolfram Schmidt, East Germany, def. Sonchon Son, North Korea, 5-0. Ernesto Chavez, U.S., def. William Walsh, Ireland, 4-1. Tibor Molnar, Hungary, def. Bogomil Aleksandrov, Bulgaria, 3-2.
71 Kilograms
Mylon Watkins, U.S., stopped Rosen Ibishev, Bulgaria, 1:59, 3rd; Michael Moorer, U.S., stopped Makolo Mafika, Tanzania, 1:32, 1st; Victor Yegorov, USSR, def. John Reid, Ireland, 5-0.
75 Kilograms
Ruslan Paramat, USSR, def. Kolin Stoganiv, Bulgaria, 5-0. Parker White, U.S., def. Jose da Silva, Brazil, 5-0. Andrei Akatov, USSR, def. Carlos Herrera, Venezuela, 5-0.
81 Kilograms
Harvey Richards, U.S., stopped Raben Mikiare, Tanzania, 1. Vitaly Koshanovski, USSR, def. Andre Kerezoez, USSR, 5-0. Rene Rit, East Germany, def. Jim O'Sullivan, Ireland, 5-0.
91 Kilograms
Romzan Sivlev, USSR, def. Mohamed Vouchihe, Algeria, 5-0. Stanislav Voyka, USSR, def. Vladimir Valey, USSR, 5-0. Michael Bent, U.S., def. Svilen Rusinov, Bulgaria, 3-2.
CYCLING
Men
50-kilometer individual points race: 1, Viktor Manakov, USSR, 54 points.
HANDBALL
Men
Poland 20, Soviet Union 20
United States 23, Czechoslovakia 21
Soviet Union 30, Iceland 17
Women
West Germany 19, Hungary 15
Japan 31, United States 21
Soviet Union 29, Denmark 18
DIVING
Men, springboard: Nikolai Drozzshin, USSR, 646.14 points. Platform:—Sergei Gurylev, Soviet Union, 689.30 points.
Women, platform: Andezhela Stasyulevich, USSR, 458.48 points.
VOLLEYBALL
Women (Championship Round)
Peru 3, Japan 2
Czechoslovakia 3, West Germany 0
North Korea 3, East Germany 0
Soviet Union 3, United States 1
Fifth place: Soviet Union 3, Peru 0 (15-6, 15-6, 15-9).
WATER POLO
Championship: Soviet Union 10, United States 5. Third place: Hungary.
FREESTYLE WRESTLING
United States 5, Bulgaria 5
Soviet Union 10, Mongolia 0
United States 8, Turkey 2
Soviet Union 10, Japan 0
Mongolia 3, Japan 2
Bulgaria 6, Turkey 2
United States 8, Mongolia 2

Transition

BASEBALL
American League
BOSTON—Placed Tony Armas, outfielder, on 15-day disabled list. Called up LeSchelle Tarver, outfielder, from Pawtucket, International League.
National League
CINCINNATI —Placed Dave Concepcion, shortstop, on the 21-day disabled list. Recalled Kurt Stillwell, infielder, from Denver, American Association.
SAN FRANCISCO—Sent Will Clark, first baseman, to Phoenix, Pacific Coast League for a 20-day injury rehabilitation period retroactive to July 8.
FOOTBALL
National Football League
BUFFALO—Signed Guy Teafatiller, nose tackle; Billy Witt, defensive end, and Derek Christian, linebacker.
DENVER—Signed Thomas Dandy, running back, to a series of one-year contracts.
L.A. RAIDERS—Signed Napoleon McCallum, running back.
MIAMI—Signed Arnold Franklin, tight end, and Rickey Isom, running back. Agreed to terms with Larry Kelic, linebacker.
NEW ORLEANS—Signed Aaron Hill, safety; Van Jakes, cornerback; Jerry Fife, punter, and Sid Dodd, offensive tackle.

BRIDGE

SPORTS BRIEFS

League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
	56	30	.651	—
	50	38	.568	7
	46	38	.548	9
	46	40	.535	10
	47	42	.528	10½
	42	44	.488	14
	40	45	.471	15½
West Division				
	47	39	.547	—
	46	41	.529	1½
	40	47	.460	7½
	39	46	.459	7½
	39	50	.438	9½
	36	51	.414	11½
	33	56	.371	15½

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
	58	25	.699	—
	46	38	.548	12½
	41	43	.488	17½
	36	47	.434	22
	36	49	.424	23
	35	49	.417	23½
West Division				
	47	40	.540	—
	47	40	.540	—
	44	43	.506	3
	42	45	.483	5
	40	44	.476	5½
	39	48	.448	8

LANGUAGE

The Crime of Treason

By William Safire

WASHINGTON — Some words sound so harsh that we shrink from using them even when they fit. Such a word is *traitor.*

"The word *spy* is in the news a lot these days," writes Sheldon Vanauken of Lynchburg, Virginia, "but that word has a certain disreputable dignity and daring about it; there is no connotation of something shameful. When a naval officer, or any American, sells out his country, why are we so hesitant to call him what he is — a *traitor?* Why is there no talk of *treason?*"

When a person is convicted of the crime of espionage, especially when money has changed hands, the criminal can safely be described — with no risk of libel — as having "sold out his country." He is a *traitor,* in the most common sense of the word, rooted in the Latin *tradere:* "to hand over, betray."

Although everybody who has committed *treason* is a *traitor,* not every *traitor* has committed *treason.* The meaning of the word *treason* is spelled out clearly in the U.S. Constitution, Article III, Section III: "Treason against the United States shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort." In those days, *them* meant the United States; we now say *it.*

You can betray a friend or be a traitor to a cause, but you can commit treason only against a state and, under United States law, only during wartime. A Soviet citizen who spies on us is a *spy,* but no *traitor;* an American citizen who spies on us in peacetime is both a *spy* and a *traitor.* But he has not committed *treason.*

THE *power* craze began when they started calling the baseball slugger a *power hitter.* Then, in 1956, the sociologist C. Wright Mills labeled the movers and shakers of society the *power elite;* in the 1960s, the journalist-historian Theodore H. White coined *power broker.* Campus slanguists soon picked up on the use of *power* as an attributive noun (lending its meaning to an adjacent noun) with *power tool,* meaning "one who studies fiercely," and *power boot,* "unusually forceful regurgitation." Vogue magazine referred to the hairdressing of celebrities as *power cuts.*

The modifier is now being applied to meals. In October of 1980, the Washington Post Magazine writer Rudy Maxa wrote of the *power lunch* being served at four distinguished D. C. eateries: Mel Krupin's, the Palm, Joe & Mo's and Gary's. These were the places where "the elite meet ta eat," in the phrase of radio's "Duffy's Tavern," which antedated Professor Mills's coinage. Vito Zappala, who runs Gary's, recalls the phrase being used first in connection with the original Duke Zeibert's restaurant — "the *power lunch* was where the *power people* ate."

Within one month, the *power* combining form was applied to an earlier meal: in a story by Florence Fabricant of The New York Times, the literary agent Morton Janklow coined *power breakfast,* about the low-key hard sell early in the morning at the Regency Hotel in New York. The power breakfast was political, not literary: "The literary types wander into their offices after 10," said Janklow.

Brenda Fine and Jane E. Lasky, in their new and remarkably useful "Women's Travel Guide," have a special section for *power breakfasts* in their Washington listings of "best bets for early-morning power grabbing."

The meaning of the attributive noun changed as the phrase took hold: from the original "lunch of the powerful people," *power lunch* and *power breakfast* came to mean "the type of meal eaten by the powerful" — that is, cholesterol-free and non-fattening to the point of lacking in nourishment altogether. Bacon-and-eggs was a dish for the impotent; the power-breakfasters preferred a small dish of out-of-season berries, dry bran, weak tea and a two-cents-plain imported from a bankrupt Yugoslavian spa. Even simple meals, however, can distract too much from getting work done, so the power meals are being replaced. Two weeks ago, a Newsweek business article offered the latest course: "Goodbye power lunch, hello power tea."

Another recent compound noun in this line is *power dressing,* which in a woman is a severe suit, in a man is an intimidating Italian sport jacket, and in a power lunch, presumably, is a vinaigrette with lots of garlic.

New York Times Service

Where There's Smoke, There's Fiery Actress Debra Winger

By Stephen Farber

"REVIEWS don't change my opinion of a film," Debra Winger says of her new movie, "Legal Eagles."

Though it has been accorded many favorable reviews, it has failed to please the actress. "I'm glad that some people are enjoying it, but I was horrified to see it edited with a chainsaw. As a writer friend of mine said, 'Legal Eagles' is the kind of film that takes audiences and shakes them up until $6 falls out of their pockets. I felt like a slice of rye in a loaf of Wonder Bread."

Such outspokenness is hardly typical of actresses with a new movie to plug, but Winger has never played by the rules of Hollywood diplomacy. In making such films as "Urban Cowboy," "An Officer and a Gentleman" and "Terms of Endearment," she battled with her directors, producers and co-stars.

In "Legal Eagles" directed by Ivan Reitman, Winger plays a struggling, unorthodox lawyer defending a disturbed young woman, played by Daryl Hannah, on a charge of art theft tracing back to the arson that killed her artist father when she was a child. Winger's adversary in the district attorney's office, Robert Redford, eventually ends up joining her to defend Hannah on a murder charge — a case that finds the two lawyers barely escaping a fiery explosion in a waterfront warehouse and nearly being incinerated in a blaze in an elegant Manhattan art gallery.

"I had never really done a full-out comedy," Winger says. "But what appealed to me originally about 'Legal Eagles' is hardly seen on screen. I never planned to be in a pyrotechnic movie. It was intended to be a movie like 'Adam's Rib,' a sophisticated romantic comedy about relationships. Imagine my dismay to find myself jumping in the East River while I'm thinking about 'Adam's Rib.' I had a lot of disagreements with Ivan as the film changed character. But he's a very strong personality, and he made the movie he wanted to make."

In response, Reitman says genially, "I would have liked less pyrotechnics myself. Looking back at the movie, there are things I would do differently. She's historically been a difficult actress to work with. Talk to her other directors. Debra works out of a nervous tension, and she thrives on that tension. Ultimately, though, our disagreements are irrelevant. What counts is what happens on-screen, and I like her performance in the film."

Partly because of her intense, combative relationships with many of her directors, the 31-year-old Winger has worked relatively infrequently. "Legal Eagles" is only her sixth film in the last six years, but two of them — "An Officer and a Gentleman" and "Terms of Endearment" — have earned her Academy Award nominations. "Some people describe it as a long gap between films," she notes. "I describe it as living. You have to remember I spend several months preparing a film, several months shooting and several months recovering."

After finishing "Legal Eagles" in March, she broke her usual pattern and went right back to work, playing a cameo role in "Made in Heaven," directed by Alan Rudolph and starring her new husband, Timothy Hutton. After that she flew to Seattle to begin filming a psychological suspense story, "Black Widow," directed by Bob Rafelson. In it, she plays a government investigator trying to unmask a serial killer, played by Theresa Russell. "It's a little like Bergman's 'Persona,' " Winger asserts, "in that these two women find something in the other that complements what each of them has, and they begin to exchange identities."

In contrast to "Legal Eagles," Winger has thoroughly enjoyed her work with Rafelson, best known for "Five Easy Pieces." "Rafelson is very emphatic, but he's also very collaborative. It helps that this movie has a solid story line, which was especially important to me coming off 'Legal Eagles,' where the story has so many holes."

"I was warned that Debra would be argumentative and difficult," Rafelson says. "But I didn't find that. No actress I've worked with has had a sharper instinct. She reminds me of Jack Nicholson in the way she works. Neither of them likes to over-rehearse. They're afraid that they'll burn themselves out and lose the spontaneity."

The actress in "Legal Eagles"—"A lot of people keep trying to clip your wings."

As she once said, "Two things present in my approach to a character are sexuality and a sense of humor." Much of her sensuality comes from her unforgettably husky voice, somewhere between a rasping ship's foghorn and the bewitching siren's song that drove sailors to their deaths.

James Bridges, who directed Winger in both "Urban Cowboy" and "Mike's Murder," says of her: "This is the first time in a long while that there's been a very sexy star in the movies. And yet Debra is sexy in an identifiable way. People feel a real kinship with her. She's like the Carole Lombard of the '80s."

The irony about her characterizations — and the greatest tribute to her acting ability — is that her life has been nothing at all like the fairly sheltered experience of the women she portrays. She grew up in a Jewish family in Cleveland and moved to Los Angeles when she was 6 years old. When she graduated from high school, she left home, moved to Israel and joined the Israeli Army. She was not destined to be an Israeli, however, and she returned to the United States several months later. At the age of 18 she was thrown from the back of a truck and spent months in the hospital partially paralyzed. It was while she was recuperating that she resolved to become an actress.

"Urban Cowboy," released in 1980, was the movie that first demonstrated her raw energy. The producer Robert Evans and the studio executives initially did not want her for the part of John Travolta's frisky bride, and even the director, James Bridges, was unimpressed when she did her first reading. "It wasn't until I saw her screen test that I recognized her magnetism," Bridges said. "Even when I was standing by the camera directing her, I didn't sense it. Jack Lemmon told me it was the same with Marilyn Monroe. She was not that striking in person, but something happened on film."

On the set of "Urban Cowboy," Winger engaged in her usual skirmishes with her director. But Bridges recognized that her contentiousness grew out of perfectionism, not egotism. "When you lock horns with Debra," he explains, "you never feel it's anything personal. We had a horrendous fight on 'Urban Cowboy.' She refused to play a scene, and I had to shut down the set for a whole day. I was furious with her, but then I looked at the scene and realized that there was something wrong with the dialogue. Her instinct had been right."

After "Urban Cowboy," Winger made "Cannery Row," a box-office failure, and then "An Officer and a Gentleman," a box-office smash. Nevertheless, she says, she disliked making that film and refused to do any publicity for it when it was released. She objected to changes in the script and also to the way she was treated on the set. "I'm not sorry I did the film, because it brought a lot of joy to a lot of people," she says. "But the making of it was treacherous. I don't need much when I'm making a movie, but I do need respect, and I didn't get it."

On "Terms of Endearment," which won the Academy Award for best picture of 1983, the actress enjoyed her collaboration with the writer-director James Brooks. Her battles were with h co-star, Shirley MacLaine. "I can't deny that we fought," Win er says. "We're not having lun together today. We challeng ourselves, and when we got th of challenging ourselves, we cha longed each other. But I th there was always a respect tween the two of us."

Her personal relationships ha been volatile and unstable recently. She surprised many pe ple by marrying Timothy Hutto five years her junior, in Mar Taking a dig at actors who co plain about the media invad their privacy, Winger says, "O romance dispels the myth that y can't keep private life private this business."

After completing "Black Wi ow," Winger plans, as she says, "take a break and be married fo while." Among her future projec are two she has been develop for a number of years — a biog phy of the torch-singer Li Holman, and an other of Isa Eberhardt, a 19th-century myst who became involved in Islam religious wars in the Middl

But no matter how her characterizations evolve over th several years, she seems u to lose the explosiveness makes her such a forceful presence and such an unp able gadfly to her co-wo Speaking of his often tempe working relationship with W Bridges says, "When you with a nice person, what on screen is 'nice' and m more. When you work there's smoke on the scre

Summarizing her instinct times controversial appr her work, Winger co like to tell a story ab Thorpe when he was just out. During a game he inter the ball and started to run acr the field when a guy mowed h down. The next time he caught t ball, he ran over this other g scored a touchdown, then ca back and said to this guy, 'Let fi run.' That's my motto, too. Wh you get the ball, you're suppos to be able to run with it. But a l of people keep trying to clip yo wings."

Stephen Farber is a free-lan writer who contributed this artic to The New York Times.

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